



Police Pensions Board

Date: WEDNESDAY, 10 MAY 2017

Time: 10.30 am

Venue: COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

Members: Alderman Ian Luder (Chairman)
Helen Isaac
Davina Plummer
Kieron Sharp
John Todd
Vacancy

Enquiries: Amanda Thompson
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Lunch will be served in Guildhall Club at 12.30PM
NB: Part of this meeting could be the subject of audio or video recording

John Barradell
Town Clerk and Chief Executive

AGENDA

1. **APOLOGIES FOR ABSENCE**

2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

3. **MINUTES**

To agree the public minutes and summary of the meeting held on 17 January 2017.

For Decision
(Pages 1 - 8)

4. **THE CITY OF LONDON POLICE PENSION SCHEME - UPDATE**

Report of the Chamberlain

For Information
(Pages 9 - 82)

5. **POLICE PENSIONS BOARD - WORK PROGRAMME**

Report of the Town Clerk

For Information
(Pages 83 - 84)

6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

7. **DATE OF NEXT MEETING**

To agree a date for the next meeting.

For Decision

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

POLICE PENSIONS SUB-COMMITTEE

Tuesday, 17 January 2017

Minutes of the meeting of the Police Pensions Sub-Committee held at the Guildhall EC2 at 11.00 am

Present

Members:

Employer Representatives

Alderman Ian Luder (Chairman)
Deputy Alex Deane
Helen Isaac

Member Representatives

Davina Plummer
Kieron Sharp
John Todd

Officers:

Amanda Thompson	-	Town Clerk's Department
Kate Limna	-	Chamberlain's Department
Charlie Partridge	-	Chamberlain's Department
Tom Broughton	-	Chamberlain's Department

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

Members were advised that membership of the Local Government Pension Scheme was specifically exempted from being declared as an interest.

Deputy Alex Deane declared that he was employed by a consultancy firm that dealt with pensions, but he did not deal with pensions himself.

3. SUB-COMMITTEE'S TERMS OF REFERENCE

The Sub-Committee received a report of the Town Clerk seeking approval for the Sub-Committee's Terms of Reference.

The Terms of Reference for the Sub-Committee were previously approved by the Police Committee in December 2015, however in order to more closely align them with the model constitution for Pensions Boards as set out in the Public Services Pensions Act, a number of amendments were proposed.

In addition to these the Town Clerk further advised that the Sub-Committee would need to appoint a Deputy-Chairman, and that this would need to be a Member representative, and that the Chairman and Deputy Chairman would swap roles each year.

The Chairman commented, and the Sub-Committee agreed, that it would be appropriate to meet 3 times per year for the Board's first year and reduce to 2 meetings a year thereafter.

RESOLVED – That

- a) The amendments proposed to the Terms of Reference detailed in Appendix 1 of the report be agreed and recommended to the Police Committee for approval;
- b) The frequency of meetings be 3 during the first year and 2 for subsequent years; and
- c) A Deputy Chairman be appointed from one of the three Member Representatives.

4. **BACKGROUND TO THE POLICE PENSIONS SUB-COMMITTEE**

The Sub-Committee received a presentation from Annemarie Allen of Barnett Waddingham LLP, the Corporation's Actuary and Pension Benefit/Governance advisors.

This presentation provided information regarding the following issues:

- The background to Police Pension Boards
- The National Governance Structure
- The role, responsibilities and composition of the Sub-Committee and Sub-Committee Members.

Background to the Creation of Pensions Boards

The Sub-Committee was advised that Pensions Boards had been established following Lord Hutton's Independent Public Service Pension Commission Review in 2010. The Review had suggested amendments to Public Sector Pensions Schemes to improve affordability and to provide a sustainable, adequate and fair solution.

The Review had led to the Public Sector Pensions Act 2013, which had created a new governance structure for Public Sector Pensions, including the creation of Police Pension Boards, effective from 1 April 2015. This Act was also supported by the Police Pension Scheme (Amendment) (Governance) Regulations 2015, which came into force from 1 April 2015. The role of the Boards was to assist the administering authority to secure compliance with the PPS and other legislation relating to Scheme governance and administration and the requirements of the Pensions Regulator (TPR), and to assist the administering authority to ensure the effective and efficient governance and administration of the Scheme.

Ms Allen advised that the 2013 Act was supported by TPR's Code of Practice No 14, titled Governance and Administration of Public Sector Pension Schemes. This document provided practical guidance on the exercise of

functions under Pensions legislation, setting out the expected standards of conduct and practice. The Sub-Committee was informed that the Code of Practice was not a statement of law, but sought to assist Pension Schemes in meeting the law. The Sub-Committee was advised that there was an expectation that all Members would read this Code of Practice and it was agreed that the Town Clerk would circulate this document to all Members following the meeting.

The Code of Practice identified the main areas in which a Board should satisfy itself that appropriate management was in place. Ms Allen highlighted the legal requirements on the Board members and that internal controls, Scheme record keeping and providing information to members were key areas of focus of the TPR following their 2015 survey.

The Sub-Committee noted that the legislation referred to the constitution of 'Boards' and that this Sub-Committee was the 'Police Pensions Board'. It was agreed that it would be more appropriate for the Sub-Committee to be renamed the 'Police Pensions Board' and that the Police Committee should be asked to approve this and change the Terms of Reference to reflect this.

National Governance Structure

The presentation provided Members with information regarding the key organisations and roles within the new structures, particularly including:

- Scheme Manager: the organisation responsible for managing or administering the Scheme. For the Police Pensions Board this was the Commissioner of Police for the City of London and the Court of Common Council of the City of London Corporation.
- Scheme Advisory Board: responsible for providing advice on potential changes to the scheme or to Scheme Managers and Pensions Boards on operation of the Scheme and other matters. The Scheme Advisory Board also received all Pensions Schemes' Annual Reports and gathered information regarding all schemes and their performance against specific KPIs.
- Pensions Regulator: The 2013 Act had ensured that the Pensions Regulator's remit now also covered Public Sector Pensions.

The Sub-Committee was advised that the Pensions Regulator had conducted a survey of all Schemes in 2015 to determine existing levels of competence and compliance with Regulations.

The Sub-Committee was also advised that the Pensions Regulator had enforcement powers against both Scheme Managers and Board Members. The maximum fine the Regulator was able to assess was £5k against Board Members and £50k against Organisations.

In response to questions the Pensions Manager undertook to establish whether the City of London's Police Pensions Board was registered with TPR, and seek

information from Internal Audit regarding any recent or forthcoming audits of pensions administration.

In response to a further question regarding whether or not all benefits were being paid on time, the Pensions Manager advised that he would provide some performance statistics.

Role and Responsibilities of the Police Pensions Sub-Committee and Sub-Committee Members

The Governance Structure of the Police Pension Scheme was explained to Members. The Scheme Manager delegated its role of running the Scheme to the Police Committee (for decisions), which in turn delegated to the Police Pensions Sub-Committee (to provide the recommendations).

The role of the Sub-Committee was set out in the PPS 2015 Regulations as noted above. The Sub-Committee was advised that the Regulations also provided the Board with the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The role of the Sub-Committee was set out within the Terms of Reference, considered earlier in the meeting.

Ms Allen confirmed that Members of the Board had a legal responsibility in a number of areas including to ensure that they had capacity to represent all Scheme Employers and Members (as appropriate to which representative they were), to ensure that they had the requisite knowledge and understanding (as described in Code of Practice 14), report any breaches of the law which were of material interest to the Pensions Regulator (in accordance with the Corporation's reporting Breaches of the Law Policy, which would normally include reporting via an officer) and to not have conflicts of interest. In general members were advised that they should comply with the seven principles of public life.

With regard to breaches, the Pensions Manager advised Members that a register of all breaches was kept by the Chamberlain's Department and it would be appropriate for this to be submitted to all meetings of the Sub-Committee for information. It was also confirmed that the Board had the right to request support from any Department of the Corporation as required in the undertaking of their duties.

Ms Allen advised that there was a requirement that details of the Sub-Committee Members should be publicly available and that TPR had advised that they would be checking on this. Therefore, the Board agreed that the Town Clerk should update the relevant page on the Corporation's website to indicate that contact with the Elected Members was as indicated on the website, and all communications to the remaining Board Members should be care of the Town Clerk. Ms Allen suggested that once this was completed, the Scheme Advisory Board should be informed to allow their checklist to be updated.

RESOLVED – That

The information regarding the background to the Police Pensions Board and their roles and responsibilities be noted;

Approval for the renaming of the Police Pensions Sub-Committee to Police Pensions Board be sought from the Police Committee and, if agreed, the Terms of Reference be updated to reflect this.

5. DEVELOPING OBJECTIVES AND THE WORK PLAN FOR THE SUB-COMMITTEE

The Sub-Committee discussed appropriate objectives and a Work Plan for 2016/17.

Members noted that the Code of Practice had indicated that identifying internal controls, Scheme record keeping, providing information to members and resolving internal disputes were key areas of work and therefore the initial work programme should focus on these issues.

The Sub-Committee agreed that at the next meeting it should be presented with:

- Documentation of all of the information which was circulated to scheme members. This should include example Annual Statements for different types of members, information provided to scheme members regarding retirement (including details of when this information was provided to scheme members) and information provided to new starters regarding the Pension Scheme as part of the induction process, as well as any other communications to scheme members.
- Further information regarding the Regulations governing the Police Pensions Board, to ensure that the Board could satisfy itself that it was addressing all areas expected by the Regulations, including the legal requirements of the regulations for communications and other administrative matters.
- a schedule of events and deadlines for all activities undertaken for the Scheme throughout the year.
- further information regarding national guidance to Police Pensions Boards and how the guidance applied to this Board.

At the next and all future meetings, the Board agreed that it should be presented with:

- reports identifying any breaches of the law (from 1 April 2016)
- Information of Scheme Record Keeping;
- Information regarding the Risk Register for the Police Pensions Department, so that it could be assured that risks were appropriately identified and monitored.
- a record of complaints or disputes under the Police Pensions Scheme Complaints procedure (from April 2015)

- Any audit reports relating to the administration of the Police Pension Scheme.
- Receiving reports relating to the Police Pensions Scheme which would be considered by the Police Committee

It was further agreed that it would be good practice to produce an annual report on the Sub-Committee's work to the Police Committee, and also that all members of the scheme should be advised who the Members of the Police Pensions Sub-Committee were.

The Sub-Committee requested that the Pensions Manager collate the comments of the Board to develop a work programme and training plan.

RESOLVED – That the Town Clerk and Chamberlain present an appropriate Work Programme for the Committee to its next meeting.

6. KNOWLEDGE, UNDERSTANDING AND TRAINING NEEDS

The Sub-Committee noted the slides from Barnett Waddingham which set out some information regarding the knowledge and understanding requirements for Police Pensions Board Members, along with relevant background documentation and training needs requirements. It was agreed that the Training Needs Analysis documentation should be circulated to all Members. The Sub-Committee agreed that all Members should review the documentation and complete the Training Needs Analysis forms so that an appropriate training schedule could be drawn up.

RESOLVED – That:

- a) The Town Clerk ensures that all relevant background information and the Training Needs Analysis forms are circulated to all Sub-Committee Members;
- b) All Sub-Committee Members review this documentation and return the completed Training Needs Analysis to the Town Clerk; and
- c) The Town Clerk and Chamberlain use this information to develop an appropriate training schedule for Board Members.

7. DATES OF FUTURE MEETINGS

RESOLVED – That the Town Clerk arrange dates for the next two meetings of the Sub-Committee.

8. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE

There were no questions.

9. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

The meeting closed at 1.00 pm

Chairman

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Committee: Police Pensions Board	Date: 10 May 2017
Subject: The City of London Police Pension Scheme - Update	Public
Report of: Chamberlain	For Information
Report author: Charlie Partridge – Chamberlain's Department	

Summary

At the Board's meeting on 17 January 2017, Members asked that information be provided regarding a range of topics in relation to the City of London Police Pension Scheme (the Scheme).

The information which was requested was as follows:

- Annual schedule of events for the Pension Scheme (Appendix 1).
- Information of Scheme Record Keeping (Appendix 2).
- The City of London Police Pension Scheme Risk Register (Appendix 3).
- Copies of documentation and communications that are circulated to Scheme Members (Appendix 4 and 6 & 7).
- Communication Working Practices (Appendix 5).
- A record of any complaints or disputes under the Scheme's complaints procedure (from April 2015)*.
- Any recent breaches of the law (there have been none to report).
- Any audit reports relating to the administration of the Scheme (there have been none) – (Appendix 8).
- Any reports relating to the administration of the Police Pension Scheme which have been considered by the Police Committee (there have been none).

* Members are advised that the City of London Corporation is the Scheme administrator on behalf of the City of London Police (the Force). Any complaints or disputes that arise normally relate to ill-health or injury awards and are dealt with by the Force who in turn notifies the Pensions Office if there is an outcome for which action needs to be taken. As such, the Pensions Office will only be aware of cases where the Scheme member's benefits are affected as a result of a complaint / dispute.

With regard to the City of London Police Pension Scheme Risk Register, such a risk register did not exist at the time of the last meeting. Details of the key risks for the Board have been developed as the first stage of creating a Risk Register and have been rated in line with the Corporation Risk Matrix (which is attached to the Risk register Document for information).

Members are requested to review the information and provide any comments regarding it.

Recommendation

The Board is recommended to consider the information provided in the following appendices and provide any comments in relation to this information.

Appendices:

Appendix 1 – Annual Schedule of Events

Appendix 2 – Scheme Record Keeping

Appendix 3 – Police Pension Scheme Risk Register

Appendix 4 – Police Pension Scheme “At a Glance” Summaries

4a 1987 Scheme

4b 2006 Scheme

4c 2015 Scheme

Appendix 5 – Communication Working Practice

Appendix 6 – Member documents

6a Example of Annual Benefit Statement

6b Estimate Letter

6c Retirement Letter

6d(i)&(ii) Retirement Forms

6e Annual Allowance Letter

6f Death Grant Nomination Form

6g Cohabiting Partner Nomination Form

6h Transfer-in Authority Form

6i Opt-out Form

6j Opt-out Factsheet

6k Opt-in Form

Appendix 7 – Presentations

7a New Starter Presentation

7b Pre-Retirement Course Presentation

7c Police Schemes Presentation

Appendix 8 - Internal Audit Update

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City of London Corporation Risk Matrix (Black and white version)

Note: A risk score is calculated by assessing the risk in terms of likelihood and impact. By using the likelihood and impact criteria below (top left (A) and bottom right (B) respectively) it is possible to calculate a risk score. For example a risk assessed as Unlikely (2) and with an impact of Serious (2) can be plotted on the risk scoring grid, top right (C) to give an overall risk score of a green (4). Using the risk score definitions bottom right (D) below, a green risk is one that just requires actions to maintain that rating.

(A) Likelihood criteria

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)
Criteria	Less than 10%	10 – 40%	40 – 75%	More than 75%
Probability	Has happened rarely/never before	Unlikely to occur	Fairly likely to occur	More likely to occur than not
Time period	Unlikely to occur in a 10 year period	Likely to occur within a 10 year period	Likely to occur once within a one year period	Likely to occur once within three months
Numerical	Less than one chance in a hundred thousand (<10-5)	Less than one chance in ten thousand (<10-4)	Less than one chance in a thousand (<10-3)	Less than one chance in a hundred (<10-2)

(B) Impact criteria

Impact title	Definitions
Minor (1)	Service delivery/performance: Minor impact on service, typically up to one day. Financial: financial loss up to 5% of budget. Reputation: Isolated service user/stakeholder complaints contained within business unit/division. Legal/statutory: Litigation claim or find less than £5000. Safety/health: Minor incident including injury to one or more individuals. Objectives: Failure to achieve team plan objectives.
Serious (2)	Service delivery/performance: Service disruption 2 to 5 days. Financial: Financial loss up to 10% of budget. Reputation: Adverse local media coverage/multiple service user/stakeholder complaints. Legal/statutory: Litigation claimable fine between £5000 and £50,000. Safety/health: Significant injury or illness causing short-term disability to one or more persons. Objectives: Failure to achieve one or more service plan objectives.
Major (4)	Service delivery/performance: Service disruption > 1 - 4 weeks. Financial: Financial loss up to 20% of budget. Reputation: Adverse national media coverage 1 to 3 days. Legal/statutory: Litigation claimable fine between £50,000 and £500,000. Safety/health: Major injury or illness/disease causing long-term disability to one or more people. Objectives: Failure to achieve a strategic plan objective.
Extreme (8)	Service delivery/performance: Service disruption > 4 weeks. Financial: Financial loss up to 35% of budget. Reputation: National publicity more than three days. Possible resignation of leading member or chief officer. Legal/statutory: Multiple civil or criminal suits. Litigation claim or find in excess of £500,000. Safety/health: Fatality or life-threatening illness/disease (e.g. mesothelioma) to one or more persons. Objectives: Failure to achieve a major corporate objective.

(C) Risk scoring grid

Likelihood	Impact			
	Minor (1)	Serious (2)	Major (4)	Extreme (8)
X				
Likely (4)	4 Green	8 Amber	16 Red	32 Red
Possible (3)	3 Green	6 Amber	12 Amber	24 Red
Unlikely (2)	2 Green	4 Green	8 Amber	16 Red
Rare (1)	1 Green	2 Green	4 Green	8 Amber

(D) Risk score definitions

RED	Urgent action required to reduce rating
AMBER	Action required to maintain or reduce rating
GREEN	Action required to maintain rating

This is an extract from the City of London Corporation Risk Management Strategy, published in May 2014.

Contact the Corporate Risk Advisor for further information. Ext 1297

October 2015

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City of London: Police Pension Scheme**Annual Schedule of Events**

Date Due	Event	Date Completed
31 st January	HMRC Event 22 Report – List of Annual Allowance cases exceeding the previous years' threshold / Unauthorised payment charges / Scheme Sanction Charges / Lifetime Allowance Charges	31/01/2017
February	Revised 5 year forecast to Home Office	24/02/2017
28 th February	IAS19 month 11 return to actuary	22/02/2017
Within 2 weeks of quarter date	Tax Return for Quarter 4	No data to return.
1 st April	Employee Contribution band implementation	No change for 2017/18
1 st April	Employer Contribution implementation	No change for 2017/18
1 st April	Revaluation of CARE benefits	Software updated 09/03/2017 Revaluation effective from 01/04/2017
1 st Monday in April after 6 th April	Pensions Increase – Annual Inflation Increase	Pensions Software updated 09/03/2017 Payroll updated 27/03/2017 Increase effective from 10/04/2017
5 th April	IAS19 month 12 update if necessary	6 th April
May	Home Office Year End Finance Return and 5 year forecast	
31 st May	Closing of Accounts	
Within 2 weeks of quarter date	Tax Return for Quarter 1	
31 st August	Issue of Annual Statements Deadline	

September	Home Office Autumn Finance Return and revised 5 year forecast	
Within 2 weeks of quarter date	Tax Return for Quarter 2	
Within 2 weeks of quarter date	Tax Return for Quarter 3	

City of London: Police Pension Scheme – Pensions Record Keeping.

Member Data

Member data is held using software supplied by Heywood. The system [Altair] holds records, calculates benefits, supplies reports and provides a workflow/ performance system.

Documents for active members are held electronically using Sharepoint. Older deferred and pensioner documents are held off-site by London Metropolitan Archives who provide a retrieval service.

Data held for a member is comprehensive and includes:

- Personal Details.
- Contributions record.
- Additional Contribution details
- Nomination details.
- Pay
- Annual Allowance
- For leavers, deferreds and pensioners details also include exit payments and pension details.

Interfaces from payroll are used where possible for yearly updates.

The Pensions Team have a high level of checking when records are set up and amended to ensure accuracy against payroll and member data and documentation.

As part of the annual updates the Pensions Team will check for correct contribution rates and that accurate pay data is posted to a member's record. Tolerance checks are used to investigate any potential anomalies.

When benefits are paid again a high level of checking exists to ensure that the member data held is correct, that exit details entered are accurate and that the benefit calculations produced are accurate and compliant.

A mortality screen service is used to ensure deceased pensioner cases are identified. Life Certificates are issued annually to pensioners resident abroad.

Data accuracy is checked annually as part of the annual update/ benefit statement production exercise.

The City of London Police Pension Scheme is part of the National Anti-Fraud Network (NAFN). The NAFN tests highlight any pensioner records we hold for which a death certificate has been recorded nationally; cases of re-employment with another authority; and Injury Pensions where an injury benefit is being paid by the state. These cases are investigated by the team to ensure there is no fraudulent activity. These tests are carried out every 2 years.

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City of London: Police Pension Scheme Risk Register for the Police Pensions Board - FOR CONSIDERATION

Risk No.	Risk (Short description)	Risk Owner	Cause	Effect	Existing Controls	Current Risk				Planned Actions	Target Risk		
						Likelihood	Impact	Rating	Direction		Likelihood	Impact	Rating
1	Provision of City of London Police actuarial data to the Home Office	Chamberlain	(i) Inaccurate data supplied to the Home Office. (ii) Poor assumptions used by the Home Office	National employer rate incorrectly determined.	(i) Robust Year End procedures and updates. (ii) Checking for errors or inconsistencies in valuation extract report before submission to the Home Office.	Rare	Minor	Green 1	↔	Continue existing controls	Rare	Minor	Green 1
2	Failure to comply with legislative requirements.	Chamberlain	(i) Lack of appropriate knowledge or skill. (ii) Lack of training/appropriately skilled staff.	(i) Inaccurate benefits paid. (ii) Financial loss (iii) Increase in Appeals. (v) Reputational damage. (v) Fines from Pensions Regulator	(i) Recruitment of suitable staff appropriate salary levels. (ii) Appropriate training. (iii) Attendance at seminars and Forums, webinars and user groups.	Possible	Minor	Green 3	↔	Continue existing controls	Possible	Minor	Green 3
3	Pension Scheme Administration	Chamberlain	(i) Ineffective succession planning. (ii) Inadequately trained staff. (iii) Absences/ Increased Staff turnover. (iv) IT system failure.(v) Data Accuracy. (vi) Lack of resources.	(i) Inaccurate benefits paid or delayed. (ii) Increased costs of inefficiencies. (iii) Financial penalties/ sanctions	(i) Recruitment and training of staff (ii) Ensuring software is the latest version and any known errors are reports. (iii) Ensure IT have sufficient back-ups and Disaster Recovery. (iv) Robust checking procedures in place at all stages of record managment from starting, transfers received, career changes, pension top-ups, leaving and benefit payment. (v) If staff or other resouces are lacking ensure priorites cases are covered and all checking levels maintained.	Unlikely	Serious	Green 4	↔	Continue existing controls	Unlikely	Serious	Green 4
4	Pension Fraud	Chamberlain	(i) Continued payment of pensions following death (ii) Staff acting inappropriately	(i) Overpaid pensions. (ii) Financial loss	(i) Use of Mortality Screening Service and Tell Us Once Service [Government initiative that allows us to be notified of a death when registered]. (ii) Participation in the National Fraud Initiative. (iii) Sending Life Certificates to Overseas Pensioners.	Unlikely	Serious	Green 4	↔	Continue existing controls	Unlikely	Minor	Green 2

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2. The Police Pension Scheme "at a glance"

Key features

- All new recruits to the police service before 6 April 2006 became members of PPS, unless they opted out of the scheme.
- Police officers contribute 11% of their pay to the scheme, which represents just under a third of the cost of providing pension benefits.
- PPS is a 'final salary' scheme, which means that your pension is calculated as a proportion of your final average pensionable pay. This is generally pay in your last year of service as a member of the scheme.
- The pension that you will receive depends on your pensionable service, which for most officers will be the length of service in the police force for which they have paid pension contributions, with appropriate adjustments for part-time service.

Pension benefits for police officers

- The earliest date that a pension can generally be paid is 50, depending on length of service (if you have 30 years' pensionable service, you may retire with an immediate pension before age 50 and an ill health pension is payable immediately).
- 30 years' service is needed for a maximum pension.
- A maximum pension is two-thirds of average pensionable pay.
- There is an option to exchange ('commute') part of the pension for a tax-free lump sum.
- Average pensionable pay is in effect the highest pensionable pay for the three years before retirement.
- Each year of pensionable service for the first 20 years gives entitlement to a pension of 1/60 of final pay and each year for the final 10 years gives 2/60, up to a limit of 40/60.
- Pensions in payment are generally increased for inflation (though only from the age of 55 unless the officer is medically retired or other conditions satisfied).

Benefits for others on the death of a police officer

- A lump sum death grant of two times pay.
- A pension for a widow, widower or surviving civil partner, normally of half of the officer's pension entitlement, which ceases on remarriage, the formation of a new civil partnership or cohabitation. A pension is not payable to a surviving cohabitee who was not married to nor in a civil partnership with the officer.
- Dependent children under the age of 23 may qualify for a pension.

Medical retirement and ill-health pensions

- A police authority has discretion to retire a police officer on the grounds that he or she is permanently disabled for the ordinary duties of a member of the police force.

- An immediate pension and lump sum is payable to any officer at any age who is granted ill-health retirement.
- The issue of permanent disablement is determined by a doctor and there are appeal rights against medical decisions.
- Ill-health pensions are increased for inflation throughout their payment.
- Police authorities have discretion to review the payment of ill-health awards at intervals.
- Even if you are judged to be permanently disabled, it does not automatically follow that you will be granted ill-health retirement. The police force will consider whether there are alternative duties that you could perform and still remain in the service (taking account of your overall capabilities).
- There are separate arrangements for the payment of injury awards to officers who are permanently disabled as the result of an injury on duty, which are outside the pension scheme.

Other features

- There is a facility to buy more pension in the scheme ('added years') within the overall limit of 30 years.
- There is also the option to pay additional voluntary contributions to a pension investment plan through Standard Life.
- If you build up pension rights in the scheme but leave the police service (or opt out of the scheme) before retirement, you will be eligible for a 'deferred pension' payable at age 60.

2. The New Police Pension Scheme *"at a glance"*

Key features

- All new recruits to the police service from 6 April 2006 onwards become members of NPPS.
- Police officers contribute 9.5% of their pay to the scheme, which represents about one-third of the cost of providing pension benefits.
- NPPS is a 'final salary' scheme, which means that your pension is calculated as a proportion of your 'final pensionable pay'. This is generally earnings in your last year of service as a member of the scheme.
- The pension that you will receive depends on your pensionable service, which for most officers will be the length of service in the police force for which you have paid pension contributions, with appropriate adjustments for part-time service.
- NPPS is funded by the contributions from officers and police authorities, topped up by central Government.

Pension benefits for police officers

- The earliest date that a pension can be paid is 55.
- 35 years' service is needed for a maximum pension.
- A maximum pension is an annual payment of half of final pay, plus an automatic tax-free lump sum of four times the annual pension.
- Final pay can take account of pay in up to 10 years prior to retirement, if this would give a bigger pension.
- Each year of pensionable service gives entitlement to a pension of 1/70 of final pay, up to a limit of 35/70.
- Pensions in payment are increased for inflation.

Benefits for others on the death of a police officer

- A lump sum death grant of three times' pay is payable and you have some freedom to nominate who should receive it.
- A pension for a spouse or civil partner is payable for life – these are normally half of the officer's pension entitlement.
- A partner who is neither a spouse nor a civil partner may be eligible for a pension payable for life, subject to completion of the required declaration.
- Dependent children under the age of 23 may qualify for a pension.

Other features

- An immediate pension and lump sum is payable to any officer at any age who is granted ill-health retirement.
- There is a facility to buy more pension in the scheme ('added years') within the overall limit of 35 years.
- It is possible to exchange all or part of the lump sum for more annual pension.
- Every officer has an opportunity to opt out of the scheme.

- If you build up pension rights in the scheme but leave the police service (or opts out of the scheme) before retirement, you will be eligible for a 'deferred pension' payable at age 65.

Pensions for unmarried partners on the death of a police officer

An important feature of the scheme is the provision for the payment of a pension for life to a police officer's partner, even if you are not married to each other or in a civil partnership. But you must satisfy a number of conditions and you and your partner must complete all the necessary documentation – otherwise no pension can be paid. See section 5.5.2 for details.

Medical retirement and ill-health pensions

A police authority has discretion to retire a police officer on medical grounds. In common with other leading public sector pension schemes, there are two levels of ill-health pension:

- **A standard ill-health pension**, payable if you are disabled for the ordinary duties of a member of the police force. If you are entitled to a standard ill-health pension, you will receive immediate payment of the pension benefits which you have built up at the date of your ill-health retirement.
- **An enhanced top-up ill-health pension**, payable in addition to a standard ill-health pension if you are disabled for any regular employment (meaning employment for an annual average of at least 30 hours per week). If you are entitled to an enhanced top-up ill-health pension, you will receive immediate payment of pension benefits as with a standard ill-health pension, but the top-up has the effect that your pensionable service is enhanced by up to 50% of your prospective service to age 55. For example, if you are aged 35, the enhancement of service is up to 10 years.

The level of disability is determined by a doctor and there are appeal rights against medical decisions. Both types of pension will be increased for inflation for as long as they are paid. Police authorities have discretion to review the payment of ill-health awards at intervals.

Even if you are judged to be disabled, it does not automatically follow that you will be granted ill-health retirement. The police force will consider whether there alternative duties that you could perform and still remain in the service (taking account of your overall capabilities).

There are separate arrangements for the payment of injury awards to officers who suffer injury on duty, which are outside the pension scheme.

Other points

- The scheme does not have a formal Additional Voluntary Contribution (AVC) arrangement, but you are free to make contributions to personal pension schemes as well as the police scheme within very wide limits.

- It is possible for deferred pensions (payable at age 65) to be paid early on request, but this will be subject to "actuarial reduction" to reflect that they will be paid earlier and for a longer period.

2. The Police Pension Scheme 2015 “at a glance”

Many members joining the 2015 Scheme on 1 April 2015 (and those joining the 2015 Scheme at the end of their Tapered Protection Period) will also have service under the 1987 Scheme or the 2006 Scheme. The member's accrued rights under the 1987 Scheme or the 2006 Scheme will be protected (see section 12 Tapered protection and members with accrued rights under the 1987 Scheme or the 2006 Scheme).

2.1 Key features

- The 2015 Scheme is a Career Average Revalued Earnings (CARE) pension scheme. This means that for each year you are an Active Member you will earn a fraction of your Pensionable Earnings (1/55.3) for that year as earned pension and this will be revalued for each subsequent year until you retire.
- Earned pension will be added to your pension pot in each year of pensionable service under the 2015 Scheme, and will be revalued at the end of each year.
- Whether you work full-time or part-time your earned pension is built up in the same way.
- The 2015 Scheme is funded by the contributions from members and Police Pension Authorities (e.g. the Chief Constable).

2.2 Pension benefits for members

- The Normal Pension Age (NPA) is 60.
- The Normal Minimum Pension Age (NMPA) is 55.
- You have the option to retire at any time after NMPA and to take immediate payment of your pension; if you decide to retire with immediate payment of your pension after NMPA and before NPA, your 2015 Scheme benefits will be actuarially reduced by reference to NPA.
- You may remain an Active Member of the 2015 Scheme as long as you wish (there is no maximum period of service). If you decide to continue in service

beyond NPA there will be an actuarial uplift applied to your pension as it will be paid later than it would be in normal circumstances.

- While you are an Active Member, the rate of revaluation applied at the end of each Scheme Year (31 March) to the earned pension accrued for that year is the movement in the Consumer Price Index (CPI) + 1.25%. The revalued amount forms the opening balance of your pension for the next Scheme Year.
- For each Scheme Year that you are an Active Member of the 2015 Scheme, your earned pension is 1/55.3th of the value of your Pensionable Earnings for that Scheme Year (uprated by CPI + 1.25%).
- Pensions in payment to members are increased every year in line with CPI under the Pensions (Increase) Act 1971.

2.3 Benefits for others on the death of a member

If you should die whilst serving as an Active Member then:

- A lump sum death grant is payable (see section 10.4 'Lump sum death grant'). The payment is 3 times your Final Pay if your period of service was at least 12 months (otherwise it's 3 times your annualised final pay).

If you die whilst a member of the 2015 Scheme:

- A pension will be paid to your spouse or civil partner for the rest of their life.
- A partner who is neither a spouse nor a civil partner may be entitled to payment of a pension for life, subject to having completed the required declaration (see section 10.2.2 'Declared partners').
- Eligible children under the age of 23 may qualify for a pension.

2.4 Other features

- You will be able to commute part (up to 25%) of your pension at a rate of 1:12; therefore for every £1 of pension given up you receive a lump sum of £12.

- If you accrue rights in the 2015 Scheme but leave the police force (or opt out of the 2015 Scheme), without taking a pension or a refund of contributions, you will be entitled to a Deferred Pension payable from your State Pension Age (SPA).
- If you have accrued benefits in the 1987 Scheme or the 2006 Scheme, those benefits will remain in that scheme.
- An Active Member may opt out of the 2015 Scheme (see section 3.3 'Opting out').

2.5 Compulsory ill-health retirement and ill-health pensions

The Police Pension Authority has discretion to retire a member on medical grounds.

There are two levels of ill-health pension which may become payable under the 2015 Scheme (members with previous service in the 1987 Scheme or the 2006 Scheme who have not reached NPA receive an ill-health pension which reflects service in their existing schemes):

- Lower Tier, payable if you are permanently medically unfit for the ordinary duties of a member of the police force but not permanently medically unfit for any regular employment. If you are compulsorily retired on these grounds, you will become entitled to immediate payment of a lower tier ill-health pension and will have the option to commute part of it for a lump sum. Your benefits will be calculated based on the amount of your accrued pension at the time of your ill-health retirement. There will be no reduction for early payment and no enhancement.
- Enhanced Upper Tier, payable if you are permanently medically unfit for the ordinary duties of a member of the police force and also permanently medically unfit for any regular employment. If this is the case you will receive this pension in addition to the lower tier ill-health pension.

The level of medical unfitness is determined by a Selected Medical Practitioner (SMP) and there are appeal rights against medical decisions. An ill-health pension will be increased in line with CPI for as long as it is paid. Police Pension Authorities may review the payment of ill-health pensions at regular intervals.

Even if an SMP determines that you are permanently medically unfit, it does not automatically follow that you will be granted ill-health retirement. The Police Pension Authority will consider whether there are alternative duties that you could perform and still remain in the service (taking account of your overall capabilities).

There are separate arrangements for the payment of injury benefits to members of a police force who are injured on duty. The details can be found in the Police Injury Benefit Regulations.

2.6 Other points

- Purchasing added pension (where you can increase your pension by paying additional contributions) is currently limited to £6,500 per year. The limit may be altered by HM Treasury (HMT). Added pension is revalued by CPI in line with the Pensions (Increase) Act 1971.
- The 2015 Scheme does not have a formal Additional Voluntary Contribution (AVC) arrangement, but you do have the option to make contributions to a separate personal pension scheme in addition to your contributions to the 2015 Scheme within limits prescribed by HMRC.
- It is possible for Deferred Pensions (payable in full at your SPA) to be paid early on request, but this will be subject to Actuarial Reduction to reflect that they will be paid earlier and for a longer period.
- Deferred Pensions can also be paid early when a Deferred Member is permanently medically unfit for regular employment. These are not subject to Actuarial Reduction.

The Police Pension Scheme**City of London Police Pension Scheme Communication Working Practices**

The Police Pension Scheme Regulations do not require a formal policy in respect of communications. However, this document sets out the working practices of the Pensions Office regarding the aims, target audiences and the method of delivery (application) of communication.

Aims

- **Accuracy and Timeliness** Information needs to be compliant with legislation and supplied at an appropriate time.
- **Effective Information** Messages need to be clear and understood by the target audience.
- **Accessible** Communication should be available to all and should meet the needs of a wide range of recipients.

Audiences

- Scheme Members & Potential Members
- Pensioners & Deferred Members
- City of London Police Personnel & Administration
- Police Committee
- Staff

Application**Scheme Members and Potential Members**

- **Scheme Guides** Available to all eligible employees via the Home Office website, direct mail or e-mail.
- **Forms and Leaflets** Available via direct mail or e-mail.
- **Annual Benefit Statements** Pension Statements supplied to those Scheme members who are active at year end (31st March) as soon as possible after year end.
- **Presentations** New recruit presentation, pre-retirement courses and 'general' Scheme presentations provided upon request.
- **Intranet & Internet** The Home Office website provides numerous Scheme guides and calculators. The City's intranet page provides a link to this site.

Pensioners and Deferred Pensioners

Pensioners should be supplied with monthly payslips as appropriate, Newsletters and annual pensions increase letters. Pensioners and Deferred Pensions will be supplied with information on scheme changes as they affect the appropriate category of ex-scheme member.

City of London Personnel and Payroll

Guides on technical, legislative and general day-to-day administration requirements and responsibilities issued as and when required and as scheme changes affect procedures, including links to centrally produced guides.

- Presentations Personnel Group meeting updates and individual departmental sessions as appropriate.

Police Committee

- Reports Update Committee on scheme changes and developments and provide reports in a clear and accurate manner in order that appropriate responses and actions follow.
- Presentations Provide Committee with updates where appropriate.

Pensions Team Staff

Provide updates and information on scheme and legislative changes.

- Team Meetings Maintain staff's awareness and knowledge via monthly meetings and one-off sessions as appropriate.

General Communication

Letters, emails and phone calls answered clearly, accurately and timely.

If you wish to contact the City of London Pensions Office:
Write: Pensions Office, City Of London, PO Box 270, Guildhall, London EC2P 2EJ
Telephone: 020 7332 1132
Email: Policepensions@cityoflondon.gov.uk

CITY OF LONDON POLICE **Personal Benefit Statement**

Mr P C Testpps

Issue Date: August 2016

Personal Details

Full Name	P C Testpps
Date of Birth	01/01/1965
National Insurance Number	AB123456C
Payroll Reference	011111
Rank	Constable/Sergeant
Pensionable Pay	£40,000.00
Current Working Hours	Whole Time

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform the Pensions department.

Present Value of Benefits **Assuming Service up to 31/03/2017**

Total Service	30 Years 0 Days	
Pension	£26,666.68	(per annum)
Spouses Pension	£13,333.34	(per annum)

Value of Death Benefits **Assuming Service up to 31/03/2017**

Death Grant	£80,000.00	
Spouses Pension for first 13 weeks	£766.77	(per week)
Thereafter	£13,333.33	(per annum)

Name: P C Testpps

NI Number: AB123456C

Benefits Payable on Retirement

Date of Retirement	31/03/2017	
Total Service	30 Years 0 Days	
Pension Without Commutation		
Pension	£26,666.68	(per annum)
Spouses Pension	£13,333.34	(per annum)
Commutation Option 1 - Maximum Lump Sum (subject to a tax charge)		
Pension	£20,000.01	(per annum)
Maximum Lump Sum	£146,866.74	
Less - Possible Tax Charges Payable	£4,155.74	
Net Lump Sum Payable after charges	<u>£142,711.00</u>	
Spouses Pension	<u>£13,333.34</u>	(per annum)
Commutation Option 2 - Restricted Lump Sum (not subject to tax charge)		
Pension	£20,471.61	(per annum)
Restricted Lump Sum	£136,477.39	
Spouses Pension	£13,333.34	(per annum)

Annual Allowance

Pension Input for tax year 2015/16	
Second part-year PIP (9 July 2015 to 5 April 2016)	£0.00
First part-year PIP (1 April 2015 to 8 July 2015)	£0.00
Unused Allowance carry forward in respect of 2015/2016	£0.00

Please refer to the notes for further information about the Annual Allowance.

Your Membership Details

Your employer supplies us with your membership information.

We have shown any other pension scheme membership transferred to the Police Pension Scheme.

If you believe any of the details are incorrect, please let us know.

Employer	Period		Calendar length years/days	Percentage of whole time	Period of membership years/days
	From	To			
CITY OF LONDON POLICE	01/01/1985	31/03/2017	32/090	100.000000	32/090

The Police Pension Scheme Annual Statement

You will find enclosed your annual pension benefits statement. Please read the following notes as they explain how the figures have been calculated.

Although every effort has been made to ensure that the data held is correct, should you find any information on your statement that is incorrect, please contact Graham Newman in the Pensions Office.

I trust that the position is clear to you, however should you have any questions please do not hesitate to contact Graham Newman on 020 7332 1132 or e-mail your query to policepensions@cityoflondon.gov.uk

About your statement

The estimated benefit details are a guide only and do not confer any statutory rights.

All calculations have been based on information held by the Pensions Office and are based upon your pensionable pay and pensionable service as at 31 March 2016.

Pensionable pay

The pensionable pay figure is based on your pay over the preceding year, which would include your basic pay, London weighting and any pensionable acting up payments. If you are a part-time officer, your pensionable pay will have been increased to a whole-time equivalent rate. Any payments not relating to the final year would be excluded from any final calculations. This pay figure has been used in all (except the lump sum death grant for part-timers) of the following calculations and has not been inflated to take account of future increases.

Present Value of Benefits

If you have less than 25 years' service, a deferred pension benefit will have been calculated, which means that your pension figure will have been enhanced to take account of your hypothetical pension entitlement at compulsory retirement age. Deferred pensions normally become payable at age 60. If you have at least 25 or more, but less than 30 years' service, you will have a pension entitlement, although there would be a restriction on the amount of commutation lump sum that could be paid (details available on request). Your pension would be based on actual service, and payable from age 50 onwards. If you have at least 30 years' service you would have an immediate entitlement to pension benefits upon leaving service.

Death Benefits

A death grant is payable if you die while serving, provided you are a member of the Police Pensions Scheme at the time of death. The grant will be paid either to your spouse/civil partner or, if there is no spouse/civil partner, it will be paid to your Estate.

It is important that you keep the Pensions Office informed of any changes to your partnership status, supplying photocopies of any relevant certificates and documents when necessary.

If you are unsure of the partnership status currently held by the Pensions Office then please contact them for confirmation.

Please note. If you are in receipt of a housing or rent allowance, the weekly value of this allowance should be added to the short term 13 week pension, if shown overleaf.

Widow / Widower's Pensions

You will find that your annual statement shows a potential widow/widower's pension figure. If you are married or in a civil partnership and haven't already done so, please forward a photocopy of the relevant certificates (partner's birth certificate or passport and marriage/civil partnership certificate) to the Pensions Office.

Annual Allowance

Each year the growth in your pension scheme benefits, referred to as pension input amount, is compared with the annual allowance (AA). If your pension savings have increased by more than the AA in the past year you may be liable to a tax charge.

Most scheme members will not be affected by the AA tax charge however we have included the value of your pension input amount in this year's statement based on the information we hold with regard to your Police Pension Scheme benefit. You should add this value to any other pension benefits you have accrued during the year.

You may be allowed to bring forward any unused allowance from the last 3 years. This means that even if the value of your pension savings increase by more than the AA in a year you may not be liable to pay the AA tax charge. If you are at risk of exceeding the AA you should seek advice. Further information can be found at <http://www.hmrc.gov.uk/pensionschemes/understanding-aa.htm>

Chamberlain's Department

Dr Peter Kane MA, MSc, CPFA
Chamberlain (Finance Director)

Telephone 020 7332 1132

Fax 020 7710 8539

Email graham.newman
@cityoflondon.gov.uk

Our ref PG/PENS/GN/POL

Case Officer

Graham Newman

Date

Dear

The Police Pension Regulations 1987 (as amended)

I write with reference to your recent enquiry regarding your pension entitlement. The attached estimates show your pension benefits based upon an Average Pensionable Pay (APP) of £..... and an assumed last day of service of

As you will be aware, the Police Pension Scheme Regulations do now, in some circumstances, allow for a commutation lump sum that exceeds the maximum authorised amount as set by HM Revenue & Customs.

For your reference both the maximum authorised lump sum and the maximum lump sum permissible under the Police Pension Scheme Regulations (together with the tax implications) have been provided.

I trust that the above information is clear, but should you have any further queries please do not hesitate to contact Graham Newman on the extension shown at the head of this letter.

Yours sincerely

Charlie Partridge
Pensions Manager

Police Pension Scheme Regulations 1987 (as amended)

Estimate of Pension Benefits

Name:	
Warrant No.	
Date of Birth:	
Date of Retirement:	
Length of Service:	
APP:	

Maximum AUTHORISED Commutation Lump Sum	
Gross Pension:	£ 00,000.00 p.a.
Amount to be Commuted:	£ 00,000.00 p.a.
Residual Pension:	£ 00,000.00 p.a.
Maximum Tax Free Lump Sum:	£ 000,000.00

Maximum Commutation Lump Sum & Unauthorised Payment Charge	
Gross Pension:	£ 00,000.00 p.a.
Amount to be Commuted:	£ 00,000.00 p.a.
Residual Pension:	£ 00,000.00 p.a.
Gross Lump Sum:	£ 000,000.00
Unauthorised Payment Charge:	£ 0,000.00
Net Lump Sum:	£ 000,000.00

Chamberlain's Department

Dr Peter Kane MA, MSc, CPFA
Chamberlain (Finance Director)

Telephone 020 7332 1132

Fax 020 7710 8539

Email graham.newman
@cityoflondon.gov.uk

Our ref PG/PEN/GN/POL

Case Officer

Graham Newman

Date

Dear

The Police Pensions Regulations 1987 (as amended)

I acknowledge receipt of your commutation election form dated

Please find enclosed form POL ..., with appropriate pension figures.

Your gross commutation lump sum amounts to £000,000.00. The tax due, £00,000.00, in respect of the portion of the lump sum that exceeds HM Revenue & Customs limits has been deducted and paid over to HMRC on your behalf. You do not need to report the taxable element of your lump sum to HMRC on a self-assessment tax return.

I can confirm that your net lump sum entitlement amounts to £ 00,000.00 and will be paid directly into your nominated bank account on or as soon as possible after

I can confirm that the current spouse's notional pension amounts to £ 00,000.00 per annum. I would mention that this figure will be index-linked in line with your own pension.

Your pension will be paid monthly and in advance on the 6th of every month, or the next available working day if this is a weekend or public holiday. Payment of your pension will be made direct to your bank/building society and pension pay slips will be sent to the above address but **ONLY** where the monthly amount varies by at least £2.00.

If you have any queries once you are receiving your pension please contact **Pensions Payroll on 0207 332 1370**. You can also access further information on our website, including forms to update your address or bank details, at; <http://www.yourpension.org.uk/CityofLondon/Left-the-Scheme/Pensioners.aspx>

I trust that the position is clear to you but should you have any queries or disagree with any of the details provided regarding your pension entitlement please do not hesitate to contact Graham Newman on the above extension. I am required to advise you that there is an internal dispute procedure should you be dissatisfied or have a complaint regarding your pension entitlement. An application form detailing the procedure, together with the name and address of the appointed official to whom the complaint should be sent, may be obtained from the pensions office. **Please note that this does not relate to medical appeals, which are covered under H2 of the above Regulations.**

Yours sincerely

Charlie Partridge
Pensions Manager

THE POLICE PENSIONS REGULATIONS 1987
(AS AMENDED)
CITY OF LONDON POLICE

NAME:

Warrant No.

The date of your retirement from the police force will be ****. Under the provisions of Regulation B1 your pension will be £**** p.a. which is based on ** sixtieths of your pensionable pay of £****, producing a pension of £****, less £**** in respect of pension sharing and £**** in respect of commutation.

The pension will date from ****, and will be paid monthly in advance at the rate of £**** per month, payable on the 6th of each month or the next available working day if this falls on a weekend or public holiday.

Under the provisions of the Finance Act 2004 the value of your pension in relation to the Life Time Allowance (LTA) amounts to ****%

Signed _____ dated

C Partridge, Pensions Manager

NOTES:-

1) This notice is to be passed to the Police Officer concerned and the Officer's attention drawn to Regulation C1 which provides that if an officer who has completed three years' pensionable service dies while in receipt of a pension which he was awarded on retiring from the Force, his widow will be entitled to a widow's ordinary pension subject, however, to the marriage having taken place before his retirement. In the case of a marriage after retirement, a widow's ordinary pension will be based on the officer's service after the 5th April 1978 only.

P O L 1

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**The City of London Police
Police Pension Scheme 1987 - Commutation Option Form**

A member entitled to a pension may give up a portion of their pension for a lump sum. In order to commute you must give written notice of commutation specifying the portion to be commuted, not earlier than 4 months before your intended retirement, nor later than the day before the pension comes into payment. Please note that we require your notice of commutation BEFORE your last day of service if you wish to avoid penalty tax charged in respect of both your lump sum and residual pension.

Your options are described below. If you choose option 1, no commutation, proceed to the declaration at the bottom of the page. If you choose to take a lump sum option please tick the relevant option box and the declaration at the bottom of the page. If you opt for Option 4 figures may need to be provided.

Tick one box only

Option 1: I certify that I do not wish to commute any of my pension for a lump sum ☐

Option 2: The maximum Tax Free lump sum under HMRC rules ☐

Option 3: The maximum commutation lump sum available under Scheme rules ☐

I understand that a tax charge of 40 per cent will be levied on the excess above HMRC maximum.

If you choose this option please complete the attached mandate for payment of tax.

Option 4: Less than the maximum available under options 1 or 3 in order to obtain*: ☐

a. A lump sum of:

b. A residual pension of:

c. A percentage of my pension of _____ to be converted to a lump sum

***only a, b or c needs to be completed if this option is taken**

Declaration

Name:

DOB:

Warrant Number:

Address:

Please action my option to commute as detailed above

Signed:

Date:

For any queries, please contact Graham Newman on 020 7332 1132.

Pension Lump Sum Payments in excess of HMRC Limits

If the value of a retirement lump sum is in excess of 25% percent of the overall value of your benefits calculated in accordance with HMRC rules, the part of the lump sum which is above that limit becomes an unauthorised payment and is subject to a charge of 40% tax. New commutation factors, applicable to retirements at or after 19th April 2011, result in payments exceeding HMRC tax limits, if you commute to the maximum that the Police Pension Scheme rules allow.

To facilitate your choice of either a retirement lump sum within tax free limits or the maximum available under scheme rules but with a deduction of tax on the excess over HMRC limits, we have provided you with figures showing the lump sum payable and the residual amount of pension after commutation in both cases. For a lump sum in excess of HMRC limits, it is shown with the appropriate deduction for tax and net amount payable.

Payment of the tax liability is the responsibility of the beneficiary of the payment. However, if you opt for the commutation lump sum that attracts a tax penalty, HMRC will accept payment of your unauthorised payment charge from the scheme administrator, on agreement by the party liable. We therefore request that you sign the attached mandate in order that we may discharge the tax liability on your behalf. The advantage to you of completing the mandate is you will not have to make payment of the tax due yourself or provide details to HMRC of the payment giving rise to tax charge and will therefore have nothing further to do.

All unauthorised payments are reported by the City of London to HMRC, who will compare the unauthorised payment entries on our report against their database of tax paid on unauthorised payments.

Mandate

This is required only if you chose Option 3

Authority for the City of London to pay the tax liability on an unauthorised payment

I authorise you to withhold the tax I am due to pay of 40 per cent of that portion of my retirement lump sum which is in excess of HMRC limits as it is an unauthorised payment, on the understanding that you will pay this tax over on my behalf to HM Revenue & Customs.

I understand by giving you this authority I do not need to report the unauthorised payment to HMRC on my self assessment tax return.

Signed.....

Print
Name.....

Date.....

SECTION 1

SECTION 2

.....

.....

.....

.....

.....

.....

.....

.....

E-mail address:

SECTION 3

Please confirm your bank/building society details. (NB; unless advised otherwise in writing, your commutation lump sum will also be paid directly into this bank account).

SWIFT / BIC code (overseas accounts only):

SECTION 4

A. I certify that I am :-

<input type="checkbox"/>	Single.	* (Birth Certificate or Passport)
<input type="checkbox"/>	Married	* (Birth Cert / Passport + Spouse's Birth Cert / Passport + Marriage Certificate)
<input type="checkbox"/>	Divorced	* (Birth Cert / Passport + Decree Absolute)
<input type="checkbox"/>	Widow/er	* (Birth Cert / Passport + Death Certificate)

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Chamberlain's Department

Dr Peter Kane MA, MSc, CPFA
Chamberlain (Finance Director)

Private and Confidential

c/o City of London Police

Telephone 020 7332 1132

Fax 020 7710 8539

Email graham.newman
@cityoflondon.gov.uk

Our ref PG/PEN/GN/Pol

Case Officer

Graham Newman

Date

Dear

Police Pension Scheme – Annual Allowance 2016 / 17

I am writing to you with regards to your Annual Allowance, this is the limit set by HMRC by which the value of your pension benefits may increase in any one year. You are assessed on pension benefits in all tax-registered pension arrangements that you (or an employer) have paid in to in a tax year.

The Annual Allowance is measured over the fund's Pension Input Period (PIP) of 6 April to 5 April. The Annual Allowance for the tax year 2016 / 17 is £40,000.00

You would only be subject to an annual allowance tax charge if the value of your pension savings for a tax year increases by more than £40,000. However, a three year carry forward rule allows you to carry forward unused annual allowance from the last three tax years. This means that even if the value of your pension savings increase by more than £40,000 in a year you may not be liable to the annual allowance tax charge. To carry forward unused annual allowance from an earlier year you must have been a member of a tax registered pension scheme in that year.

This letter is to clarify your Annual Allowance used in the Police Pension Scheme (PPS), the figures below do not include benefits you may have accrued in other pension arrangements you may have elsewhere.

The 2016 / 17 pension savings year for the PPS ran from 6 April 2016 to 5 April 2017 and I have calculated your position as follows:

Tax Year	Annual Allowance	Annual Allowance Used
2016 / 17	£ 40,000.00	
2015 / 16 PIP 2	£ 00,000.00	
2015 / 16 PIP 1	£ 80,000.00	
2014 / 15	£ 40,000.00	
2013 / 14	£ 50,000.00	
2012 / 13	£ 50,000.00	

The total growth of your pension benefits in the Police Pension Scheme for 2016 / 17 has exceeded the annual allowance figure by £00,000.00 and you have no remaining unused allowance from the 3 preceding tax years to offset this excess.

Your un-used carry forward to 2017 / 18 is £ 0.00.

Please note, if you have pension benefits in a separate scheme in which you are/were an active member in the last three years you will need to add the annual allowance used under those arrangements to determine the full potential taxable excess.

If, after taking account of any unused annual allowance carried forward from the last three tax years, your pension growth for the year exceeds the annual allowance you are responsible for reporting this to HMRC on your self-assessment tax return. Your return should be submitted by 31 January of the year following that in which the tax year ended at the latest i.e. 31 January 2018.

If your charge liability exceeds £2000 for a particular tax year then you can request the City of London pays the charge to HMRC on your behalf in return for a reduction to your pension benefits. Your request for this option must be received by the scheme by 31 July following the tax year to which the charge relates. For example, if the charge is accrued in 2016 / 17 then your notification must be received by 31 July 2018. Application forms for this option are available from the Pensions Office.

If you have any queries in relation to this matter please contact Graham Newman.

Yours sincerely

Charlie Partridge
Pensions Manager

Appendix 6f**Police Pension Scheme****Nomination or revocation of lump sum death grant****IMPORTANT: Read these notes before you complete this form**

1. This form allows you to nominate a person to receive a lump sum death grant if you die in service. The amount of the grant is normally three times your annual pensionable earnings at the time of death (or immediately before any period of absence without pay).
2. This form applies only to members of the Police Pension Scheme 2006 and Police Pension Scheme 2015. If you are a member of the Police Pension Scheme 1987, and you die in service, the grant will be paid to your surviving spouse or civil partner (if you have one) or otherwise to your personal representative (normally your estate). Contact your pensions administrator if you are not sure which scheme you are in.
3. You may nominate anyone you like, including an organisation. You may also nominate as many people or organisations as you like. If you nominate more than one person or organisation, say what proportion of the grant (either a percentage or a fraction) you would like each to receive. If you do not give a proportion, we will divide the grant equally between the people or organisations you have named.
4. The form asks you to state any nominated person's relationship to you. You do not have to give this if you do not wish to, but it will help us deal sensitively with matters if you die.
5. A nomination will not be effective if at the time of your death you leave a surviving spouse, civil partner or unmarried partner who is entitled to benefits under the Scheme Regulations. In these circumstances, the grant will be paid to that person (refer to the relevant Members' Guide for more information about the lump sum death grant and about survivor benefits in general).
6. You may wish to consider changing your nomination if your personal circumstances change. It is your responsibility to keep it up to date, including the address of anyone you have nominated.
7. Your pensions administrator will acknowledge the nomination by returning a copy for you to keep. If you wish to revoke your nomination you must do so in writing. You should contact your pensions administrator for a new form.
8. Your nomination is not binding on the police authority. If for any reason we do not pay the grant to the person you have named, we will pay it to your personal representative.

Now turn over

Please fill in this form in black ink and in BLOCK CAPITALS, and send it to your force's pensions administrator at the address shown below.

About you

Your name	
Pay reference/Warrant number	
Address/Work location	
Postcode	
Daytime telephone number	

Your nomination

<i>I nominate the person or people named below to receive a lump sum death grant in the event of my death whilst in service, subject to the provisions of the Police Pensions Regulations 2006 / 2015. I understand that if I complete this nomination, it will replace any nomination I have made earlier.</i>		
Person or people you wish to nominate and their relationship to you (see notes 3 and 4)	Their address or addresses	Proportion (see note 3)

Your signature

Date

--	--

Please return the completed form to:

**The Pensions Office
City of London
PO Box 270
Guildhall
London
EC2P 2EJ**

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Police Pension Scheme Co-habiting Partner Declaration Form

- By completing this declaration form you nominate your partner to receive an adult partner's pension payable under the Police Pensions Regulations 2006 / 2015, subject to the submission of a valid claim in the event of your death.
- This declaration alone does not give your partner entitlement to a pension. If you were to die, the police authority would need to be satisfied that your relationship with your partner met the qualifying conditions for the payment of a pension at the time of your death. Please read this leaflet for more information.
- Please fill in this form in black ink and in BLOCK CAPITALS, and send it to your force's pensions administrator, acting on behalf of the police authority, at the address shown below. They will acknowledge that they have received the form by returning a copy of it to you.

Part 1. About you (the scheme member)	
Your name	
Pay reference	
Address (<i>it is your responsibility to tell your pensions administrator if you subsequently change address</i>)	
Postcode	
Daytime telephone number	

Part 2. About your partner	
Partner's full name including title	
Partner's date of birth	
Partner's address (<i>this should normally be the same as the address of the NPPS member</i>)	
Postcode	

Now turn over

Part 3. Declaration

- We confirm the following.
 - We have lived together for years, during which time our financial affairs have been interdependent (or the partner has been financially dependent on the Police Pension Scheme member).
 - We have an exclusive, committed and long-term relationship with each other and we intend to continue this indefinitely.
 - We are not married to each other and we have not formed a civil partnership with each other
 - We are not related in a way that will prevent marriage or civil partnership
 - Neither of us is married to anyone else.
 - Neither of us has formed a civil partnership with anyone else
 - Neither of us is currently nominated as the unmarried partner of anyone else.
- We will tell the scheme administrator in writing if our relationship comes to an end.
- We understand that benefits will not be paid unless the partner provides satisfactory evidence that the declaration above is valid when the Police Pension Scheme member dies.

Scheme member's signature (***signed in the presence of the witness named below***)

Date

Partner's signature(***signed in the presence of the witness named below***)

Date

Part 4. Witness (***Note: the witness is simply required to witness the signing of the form by the scheme member and partner in Part 3 above***)

Name of witness

Address of witness

Postcode

Signature of witness

Date

Please return this form to

**The Pensions Office
City of London
PO Box 270
Guildhall
London
EC2P 2EJ**

THE POLICE PENSIONS REGULATIONS 2015
CITY OF LONDON POLICE
TRANSFER OF PENSION RIGHTS

Name:	
N.I. Number:	
Date of Birth:	
Address:	

I, the undersigned, hereby authorise the City of London to enquire into the possible transfer to the Police Pension Scheme, of my pension rights held with:

Name of Previous Employer or Scheme Administrator	
Position Held (if applicable)	
Address of Previous Employer or Scheme Administrator:	

Periods of Scheme Membership			
From:		To:	

Policy Number:	
----------------	--

Signed..... Date.....

Name (BLOCK LETTERS)

Please return this form to :-

The Pensions Office
City of London
PO Box 270
Guildhall
London
EC2P 2EJ

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Opting out of the POLICE PENSION SCHEME 1987 (PPS 1987) / POLICE PENSION SCHEME 2006 (PPS 2006) / POLICE PENSION SCHEME 2015 (PPS 2015)

Notice to opt out of pension saving

You might be thinking of opting out of the PPS 1987/PPS 2006/PPS 2015 for a variety of reasons. Whatever the reason, it's worth taking some time to look at the benefits you could be giving up.

Opting out might not save you as much in take home pay as you may think. In most cases, you will pay more tax if you opt out of the Police Pension Scheme. A basic rate tax payer paying pension contributions of £100 a month who opts out will then pay £20 more.

You may wish to consider these good reasons for remaining a member of the Police Pension Scheme:

- 1** Tax relief on the contributions you pay
- 2** Your employer contributes too
- 3** Safe and guaranteed pension with no investment risk
- 4** Life cover – no medicals required
- 5** Protection for your loved ones if you die
- 6** No hidden fees or administration charges
- 7** Option of a tax free lump sum as well as a yearly pension
- 8** Your pension rises with the cost of living
- 9** Enjoy a better quality of retirement

Whatever your reasons for considering opting out of the scheme, we ask that you give this matter careful consideration before making a final decision. You may wish to take independent financial advice before making a decision to opt out. If you are opting out of the Police Pension Scheme due to advice you have received you should ask for this advice in writing.

**If you still want to opt out of the PPS 1987/PPS 2006/PPS 2015 please now
complete the form.**

OPT OUT FORM

POLICE PENSION SCHEME 1987 (PPS 1987) / POLICE PENSION SCHEME 2006 (PPS 2006) / POLICE PENSION SCHEME 2015 (PPS 2015)

If you want to opt out of the PPS 1987/PPS 2006 or PPS 2015 (Pension Saving), complete this form and send it to The Payroll Office, Guildhall, or if you have access to a scanner a scanned copy can be sent by e-mail to policeOP@cityoflondon.gov.uk

It is important to fully complete all details. An incomplete or incorrectly dated form will be treated as invalid and will be returned to you.

Please complete all sections of the form in BLOCK CAPITALS and in **BLACK** ink.

Your Personal Details

Surname	<input type="text"/>	Title	<input type="text"/>
Forename(s)	<input type="text"/>	Date of Birth	<input type="text"/>
National Insurance Number	<input type="text"/>		
Rank	<input type="text"/>	Warrant Number	<input type="text"/>

Please give a brief explanation as to why you are opting out of the pension scheme

What you need to know about opting out of the PPS / NPPS

Your employer cannot ask you or force you to opt out.

If you are asked or forced to opt out, you can tell The Pensions Regulator – see www.tpr.gov.uk

If you change your mind you may be able to opt back in – write to your employer if you want to do this.

If you stay opted out, your employer will normally put you back into pension saving in around three years.

If you change your job, your new employer will normally put you back into pension saving straight away.

If you have another job, your other employer might also put you into pension saving, now or in the future. This notice only allows you to opt out of pension saving with the employer (and job) you name above. A separate notice must be filled out and given to any other employer you work for, if you wish to opt out of that employer's pension saving as well.

I have read the attached documentation and understand that the choices I make now are important in planning for my retirement. I confirm that I wish to opt out of the pension scheme in relation to the post I have indicated on this form.

I understand that if I opt out I will lose the right to pension contributions from my employer. I understand that if I opt out I may have a lower income when I retire.

Signed:	<input type="text"/>	Date:	<input type="text"/>
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This form cannot be dated before your date of joining the Pension Scheme

You should return the completed form to:

The Payroll Office, Guildhall. Or policeOP@cityoflondon.gov.uk

FACTSHEET - Opting Out
Police Pension Scheme 1987 (PPS 1987)
Police Pension Scheme 2006 (PPS 2006)
Police Pension Scheme 2015 (PPS 2015)

The PPS 1987, 2006 and 2015 are very secure pension schemes. They are defined and set out in law. Your benefits are guaranteed with no investment risk.

Membership of the schemes is not compulsory and you can opt out at any time.

Benefits of the Police Pension Schemes are:

- **Life cover**

The PPS 1987 provides life cover of 2 times your annual pensionable pay. The PPS 2006 and 2015 provide life cover of 3 times your annual pensionable pay. No medical is required

- **Tax relief**

Your contributions attract tax relief at the time they are deducted from your pay

- **Your employer contributes**

The schemes are provided by your employer who contribute to the cost of providing your benefit

- **A secure pension**

The benefits you get when you retire are based on your membership and your pensionable pay. After you retire your pension keeps pace with cost of living increases

- **Lump sum**

The PPS 2015 and 1987 provide the option for you to exchange part of your pension for a lump sum on your retirement. The PPS 2006 provides an automatic lump sum of 4 times your annual pension on your retirement

- **Protection for your loved ones**

Your family enjoys financial security with a pension for your husband, wife, civil partner and eligible children, in the event of your death. The PPS 2006 and 2015 provides a pension for a declared partner if you do not have a spouse or civil partner

- **Protection for you**

If you become seriously ill, you could receive immediate ill-health benefits at any age

If you still wish to opt out you need to complete the Opt out form available from the Pensions Office.

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OPT IN FORM POLICE PENSION SCHEME

If you want to opt into the Police Pension Scheme (Pension Saving), complete this form and send it to the Pensions Office, Guildhall.

It is important to fully complete all details.

Please complete all sections of the form in BLOCK CAPITALS and in **BLACK** ink.

Your Personal Details

Surname	<input type="text"/>	Title	<input type="text"/>
Forename(s)	<input type="text"/>	Date of Birth	<input type="text"/>
National Insurance Number	<input type="text"/>		
Personal email address (optional)	<input type="text"/>		
Rank	<input type="text"/>	Warrant Number	<input type="text"/>

NB. A separate election form must be completed for each post in which you wish to opt into the scheme.

I confirm that I wish to be a member of the Police Pension Scheme and request that pension contributions commence from the pay period following the date of this election (or my first day of employment if signed before the above employment begins).

I understand that I may need to undergo a medical examination at my own expense to determine if I will be eligible for ill health benefits.

SIGNATURE	<input type="text"/>	DATE	<input type="text"/>
------------------	----------------------	-------------	----------------------

Now return the completed form to The Pensions Office, Guildhall

If you want to know more about the costs and benefits of being a member of the Police Pension Scheme please read the Member's Guide at

<https://www.gov.uk/government/publications/the-police-pensions-scheme-2015-members-guide>

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The Police Pension Scheme

Graham Newman
Principal Pensions Officer
City of London

PENSION SCHEME QUERIES

Graham Newman TEL: 020 7332 1132
Anita Higginson TEL: 020 7332 3312
graham.newman@cityoflondon.gov.uk
anita.higginson@cityoflondon.gov.uk
policepensions@cityoflondon.gov.uk

PAYROLL QUERIES

Jeremy Tuck TEL: 020 7332 1376
policeOP@cityoflondon.gov.uk

The Police Pension Scheme 2015

- Defined Benefit - provides pension benefits based upon salary and service
 - Career Average Revalued Earnings (CARE)
- Unfunded
- Contracted-out
- Index-linked

Service Accrual

- Police Service with :
City of London or any other Home Office Force
- Transferred in service :
from other occupational schemes or, other pension arrangements

Pension Contributions

- Contributions deducted from your pensionable pay (before it is assessed for income tax)
- 3 tiered bands based upon annualised rate of basic pay

Annualised Rate of Basic Pay	Contribution Rate
Less than £27,000	12.44 %
£27,000 - £80,000	13.44 %
£80,000 +	13.78 %

Pensionable Pay

What is pensionable pay ?

- Basic Salary
- London Weighting
- Appropriate Temporary Salary
- Allowances are not pensionable

Retirement Ages

- Normal Pension Age (NPA) 60
- Normal Minimum Pension Age (NMPA) 55

Officers with at least 2 years' qualifying service can retire from NPA with immediate access to their pension (or NMPA, but subject to actuarial reduction).

Retirement Age (continued)

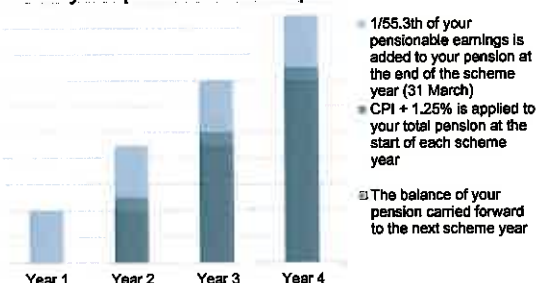
- Officers cannot retire and receive a pension before NMPA other than on the grounds of ill-health.
- Officers leaving before NMPA and with at least 2 years service will receive a deferred pension that will become payable at their individual State Pension Age (SPA).

The Pension Calculation

- For every year of pensionable service, you will accrue an earned pension equivalent to 1/55.3th of your Pensionable Earnings for that year.
- This goes into a 'pot' of earned pension, which builds up each year as more is added.
- The accrued earned pension in the 'pension pot' is uprated each year in line with CPI + 1.25%.

The Pension Calculation (continued)

How your pension builds up



The Pension Calculation - example

A 30 year old Active Member works full-time and earns £21,000 per year. His/her earned pension accrued over his/her first Scheme Year as an Active Member is calculated as follows:

Year 1

Pensionable Earnings over the year: £21,000
 Earned Pension account at end of Year 1: £379.75 (= £21,000 x 1/55.3th)

The Pension Calculation - example (continued)

Year 2

Assume that in the next year, the member's Pensionable Earnings have increased by 1% to £21,210, and that over the last year price inflation (as measured by CPI) increased by 2%. His/her total pension in the second Scheme Year will then be calculated as follows:

As s/he has remained an Active Member, his/her accrued earned pension account from the previous year will increase in line with CPI + 1.25% at the start of the Scheme Year (as CPI growth was 2%, this would result in an increase of 3.25%),

Increased Year 1 earned pension account: £392.09 (= £379.75 x 1.0325)

The Pension Calculation – example (continued)

His/her accrued earned pension over Year 2 is then calculated as per Year 1:

Pensionable Earnings over the year: £21,210 (= £21,000 × 1.01)
Addition to earned pension account: £383.54 (= £21,210 × 1/55.3th)

His/her total earned pension accrued at the end of Year 2 is the sum of the increased Year 1 earned pension account and the earned pension accrued over the second year:

Total earned pension account at end of Year 2: £775.63 (= £392.09 + £383.54)

This process continues for each Scheme Year during which s/he remains an Active Member.

The Pension Calculation – example (continued)

Year 30

If his/her Pensionable Earnings continue to grow at 1% per year, and CPI growth stays at 2% per year throughout his/her career his/her total earned pension account at the end of year 29 will be £20,146.80.

Increased Year 29 earned pension account: £20,801.57 (= £20,146.80 × 1.0325)

His/her accrued earned pension in Year 30 will then be calculated as follows:

Pensionable Earnings over the year: £28,024.58 (= £21,000 × 1.01²⁹)
Addition to earned pension account: £506.77 (= £28,024.58 × 1/55.3th)
Total earned pension account at end of Year 30: £21,308.34 (= £20,801.57 + £506.77)

The Pension Calculation – example (continued)

- Once the pension has been brought into payment it will increase in line with CPI every April throughout retirement.

Commutation

At retirement, officers have the option to commute pension in exchange for a lump sum.

- The maximum lump sum that can be paid is 25% of the 'cash value' of the annual pension at retirement.
- The maximum amount that can be commuted is based upon GAD factors.
- The commutation rate is £12 of lump sum for every £1 of annual pension given up.

Commutation (continued)

Using figures from the previous example:

- Annual pension at retirement: £21,308.34
- Max amount to be commuted: £7,607.08 (= £21,308.34 × 35.7%)
- Max lump sum: £91,284.93 (= £7,607.08 × 12)
- Residual annual pension: £13,701.26 (= £21,308.34 – £7,607.08)

Ill-health Retirement

Two potential tiers:

- Lower tier ill-health pension
 - You are declared permanently medically unfit for the ordinary duties of a member of the police force, but not permanently medically unfit for any regular employment.
- Enhanced upper tier ill-health pension
 - You are declared permanently medically unfit for the ordinary duties of a member of the police force and also permanently medically unfit for any regular employment.

Early Leavers

- Officers leaving with less than 2 years service may be entitled to a refund of their contributions.
- Officers leaving before NMPA and with at least 2 years service will receive a deferred pension that will become payable at their individual State Pension Age (SPA).
- May be able to transfer your accrued pension benefits to another Defined Benefit pension scheme.

Unpaid Leave

- Your accrual of pension may be affected by periods of unpaid leave. You can elect to pay the contributions that would otherwise have been due for the following periods of leave:
 - Unpaid adoption leave;
 - Unpaid maternity leave;
 - Unpaid parental leave;
 - Unpaid maternity support leave;
 - Unpaid adoption support leave; &
 - Unpaid sick leave of 6 months or less.

Unpaid Leave (continued)

- You must notify the Pensions Office of your wish to pay contributions for unpaid periods within 3 months of your return to work.
- The contributions must be paid within 6 months of the date you are informed of the amount to be paid.
- Contributions cannot be paid in respect of unpaid career breaks.

Protection for your Family

- Partner's pension – payable to spouse / civil partner / co-habiting partner (subject to completion of necessary declaration)
- Children's pension – eligible children under the age of 23 may qualify for a pension.
- Lump sum death grant – 3x Final Pay

Increasing your Benefits

- You may opt to make added pension payments in order to increase:
 - Your retirement benefits for a period of service; or
 - Your retirement benefits and death benefits for a period of service.
- Added pension payments can be made by:
 - Periodical payments; or
 - A lump sum payment.
- The maximum amount of added pension that can be purchased is £6,500.00. This limit is reviewed annually by HM Treasury.

Annual Allowance / Tax Relief

- Annual Allowance - £40,000
- Pensions Input Period 01 April to 31 March
- Excess over allowance is taxable
- Carry forward 3 years of unused allowance
- Responsibility of officer to report details of any excess to HMRC
- Pensions Input Amount provided with Annual Benefit Statement

Useful Links

- Member's Guide to the Police Pension Scheme 2015

<https://www.gov.uk/government/publications/the-police-pensions-scheme-2015-members-guide>

- The Pensions Advisory Service (TPAS)


<https://www.pensionsadvisoryservice.org.uk>

Summary

- Basic Benefit Entitlement
- Commutation
- Ill Health Retirement
- Early leavers
- Unpaid Leave
- Survivor Benefits
- Added Pension
- Annual Allowance

The Police Pension Scheme

Graham Newman
Principal Pensions Officer
City of London



PENSION SCHEME QUERIES

Graham Newman TEL: 020 7332 1132
Anita Higginson TEL: 020 7332 3312
graham.newman@cityoflondon.gov.uk
anita.higginson@cityoflondon.gov.uk
policepensions@cityoflondon.gov.uk

PENSIONS IN PAYMENT QUERIES


Claire O'Malley TEL: 020 7332 1370
pensionspayroll@cityoflondon.gov.uk



2015 Scheme Reform


Full protection for those officers that were within 10 years of their expected retirement date as at 01 April 2012.

Tapered protection for those officers that missed this cut-off by up to a maximum of 4 years.




The Police Pension Scheme Provisions

- Final Salary
- Unfunded
- Statutory
- Index-linked




Service Accrual

- Police Service with :
City of London or any other Home Office Force
- Transferred in service :
from other occupational schemes or,
other pension arrangements
- Enhancements as applied for ill health



Service Accrual (cont.)

- Periods of part-time service are pro-rated.
 - 2 calendar years @ whole time = 2 reckonable years service
 - 2 calendar years @ 20:00/40:00 = 1 year reckonable service
 - 20 calendar years @ whole time + 10 calendar years @ 20:00/40:00 = 25 years reckonable service.
- Service breaks do not count.



Pensionable Pay

What is pensionable pay ?

- Basic Salary
- London Weighting
- Appropriate Temporary Salary

Pension Contributions

- Contributions to PPS and NPPS increased with effect from 01 April 2012
- 3 tiered bands based upon basic pay

Annual Rate of Basic Pay	1987 Scheme	2006 Scheme	2015 Scheme
	2015/16 Rate	2015/16 Rate	2015/16 Rate
Less than £27,000	n/a	11.0%	12.44%
£27,000 - £60,000	14.25%	12.05%	13.44%
£60,000 +	15.05%	12.75%	13.78%

Retirement Age

Compulsory Retirement Ages

- Constable to Chief Inspector 60
- Superintendent to ACPO ranks 65
- Old compulsory retirement ages apply
 - For entitlement to pension
 - Ill-health service enhancement
 - Purchasing additional 60ths

Retirement Age (continued)

When Can I retire? – The 1987 Scheme

- Compulsory Retirement Age
- Age 55 (if this was your old compulsory retirement age)
- At any age with 30+ calendar years service
- Age 50 with 25+ calendar years service (but with restrictions to the maximum permitted lump sum)

Retirement Age (continued)

When Can I retire? – The 2006 Scheme

- Compulsory Retirement Age
- Age 55

The Pension Calculation 1987 Scheme

- 1/60ths of average pensionable pay for each year of service for the first 20 years
- 2/60ths of average pensionable pay for each year of service thereafter
- Maximum service for pension = 30 years

EXAMPLES

- 25 years service = 30/60ths
- 30 years service = 40/60ths

The Pension Calculation 2006 Scheme

- 1/70th of average pensionable pay for each year of service up to a maximum of 35 years
- Automatic lump sum of 4 times annual pension

Average Pensionable Pay

- Average Pensionable Pay (APP)
this is normally the pensionable pay received over your final year
 - Best of the last 3 years possible in the 1987 Scheme
 - Best of the last 10 years possible in the 2006 Scheme
- Example – if officer retires 30/06/2017, potential APP periods:
 - 01/07/2016 – 30/06/2017
 - 01/07/2015 – 30/06/2016
 - 01/07/2014 – 30/06/2015

COMMUTATION – 1987 Scheme

Your Lump Sum Options

Officers may commute up to 1/4 of their pension if they:-

- can reckon 30 years calendar service, or
- are eligible to receive their pension because of their age or,
- have to retire because of ill-health

COMMUTATION – 1987 Scheme

Your Lump Sum Options

- Officers retiring with less than 30 years service and before their compulsory retirement age are limited to a lump sum of 2.25 times their annual pension.
- Commutation factors are age-related.

Commutation – 1987 Scheme

Authorised / Tax Free lump sum?

- HM Revenue & Customs regulations state that to be an authorised payment, the lump sum must not exceed 25% of the officer's crystallised benefits.
- Crystallised benefits: (residual pension X 20) + commutation lump sum
- PPS commutation factors do, in some circumstances, provide a lump sum that will exceed this figure.
- Lump sums that exceed this figure will suffer a tax charge on the unauthorised excess

Example 1 – 2006 Scheme

- Officer retiring at age 55 with 35 years service
- Average pensionable pay: £ 40,008.00
- Annual Pension

$$1/70 \times 35 \times £40,008.00 = £20,004.00$$
- Automatic Lump Sum

$$4/70 \times 35 \times £40,008.00 = £80,016.00$$

Example 2 – 1987 Scheme

- Officer retiring at age 58 with 30 years service
- Average pensionable pay: £ 40,008.00
- $40/60 \times £ 40,008.00 = £ 26,672.00$ Gross Pension
- Maximum amount for commutation: £ 6,668.00
- Residual pension: **£ 20,004.00 p.a.**
- Commutation factor at age 58: 19.70
- Commutation lump sum: $£ 6,668 \times 19.70 = £ 131,359.60$
- Value of crystallised benefits:
 $(£ 20,004.00 \times 20) + £ 131,359.60 = £ 531,439.60$
- Max authorised lump sum: $£ 531,439.60 \times 25\%$
 $= £ 132,859.90$ therefore no charge on lump sum

Example 3 – 1987 Scheme

- Officer retiring at age 50 with 30 years service
- average pensionable pay: £ 40,008.00
- $40/60 \times £ 40,008.00 = £ 26,672.00$ Gross Pension
- Commutation factor at age 50: 22.70

Maximum Scheme Lump Sum

- Gross pension: £ 26,672.00 p.a.
- Amount commuted: £ 6,668.00 p.a.
- Residual pension: £ 20,004.00 p.a.
- Max scheme lump sum: £ 151,363.60
- Value of crystallised benefits: £ 551,443.60
- Max authorised lump sum (25%): £ 137,860.90

Example 3 (continued)

Charges Payable for Exceeding Authorised Lump Sum

- Unauthorised excess: £ 13,502.70
- Charge on excess (40%): £ 5,401.08
- Net commutation lump sum: **£ 145,962.52**
- Residual pension: **£ 20,004.00 p.a.**

Example 3 (continued)

Maximum Authorised Lump Sum (without a tax charge)

- Gross pension: £ 26,672.00 p.a.
- Amount commuted: £ 6,054.94 p.a.
- Residual pension: £ 20,617.06 p.a.
- Commutation lump sum: £ 137,447.08
- Value of crystallised benefits: £ 549,788.28
- 25% of crystallised benefits: £ 137,447.07

Example 4 – 1987 Scheme

- Officer retiring at age 50 with 25 years service
- Average pensionable pay: £ 40,008.00
- $30/60 \times £ 40,008.00 = £ 20,004.00$ p.a. Gross Pension
- Maximum lump sum limited to 2.25 X Gross Pension
 $£ 20,004.00 \times 2.25 = £ 45,009.00$
- Commutation factor at age 50 = 22.70
- Amount required to be commuted for maximum lump sum
 $£ 45,009.00 / 22.70 = £ 1,982.78$
- Residual pension:
 $£ 20,004.00 - £ 1,982.78 = £ 18,021.22$ p.a.

Pension Payments

- Commutation lump sum
there is no right to payment on first day of pension, however we will always attempt to make payment within 5 working days of retirement
- Pensions are paid monthly in advance
on the 6th of each month, or the next available working day
- Payslips
only provided if your pension payment changes by at least £ 2.00 from one pay period to the next

WHAT WILL I NEED TO DO ?

- Notify HR that you are retiring, they will then inform the Pensions Office.

You will need to complete and return the following forms :-

- An election form in respect of commutation
- Where applicable, a tax mandate allowing the City of London to pay any tax charges on your lump sum directly to HMRC on your behalf.

A form to provide the following:

- Home address after retirement
- Bank or building society account details (for payment of your pension)
- Marital status at retirement and photocopies of relevant certificates

Post Retirement

- Change of address
- Change of bank details
 - signature required to make changes, we cannot accept e-mails from personal e-mail accounts.
- Life Certificates – sent to you periodically if you live overseas.
- Pensions Increase – index-linking takes effect from age 55

Widow's, Widower's, Civil Partner's and Children's awards

- A pension for a widow, widower or surviving civil partner – normally half of the officer's pension entitlement (Post retirement marriage – only post 78/90 service)
 - This pension will cease on remarriage, the formation of a new civil partnership or cohabitation. – May be reinstated at the discretion of the Authority.
- Dependant children under the age of 23 may qualify for a pension.

Re-Employment

- Protected Pension Ages & potential tax implications
- Officers that retire between the age of 50 and 55 and are then re-employed by the same 'sponsoring employer' must have a break in employment of at least 1 month (period may be extended to 6 months if new job is materially similar to original job).
- Each case assessed on an individual basis by HR and Pensions

Annual Allowance / Tax Relief

- Annual Allowance - £40,000
- Pensions Input Period 06 April to 05 April
- Excess over allowance is taxable
- Carry forward 3 years of unused allowance
- Responsibility of officer to report details of any excess to HMRC
- PPS Pensions Input Amount provided with Annual Benefit Statement

Lifetime Allowance

- Total value of your pension savings over a lifetime
- Benefits are measured against the LTA at the date of retirement – benefit crystallisation
- Pension accrual is calculated as:
(annual pension X 20) + lump sum

Lifetime Allowance - example

At the benefit crystallisation date:

Annual Pension = £ 20,004.00

Commutation Lump Sum = £ 132,026.40

Value of benefits:

$(£20,004.00 \times 20) + £132,026.40 = £532,106.40$

- the same calculation that is used to determine if there is a tax implication for the 1987 Scheme commutation lump sum.

Lifetime Allowance

- LTA reduced to £1m w.e.f. 01/04/2016
- Protections available for people who may be affected by the reduction
 - Individual Protection 2016 – must have benefits in excess of £1m at 05/04/2016, but no limit on benefit growth after this date.

SUMMARY

- Basic Benefit Entitlement
- Commutation
- Post Retirement Issues
- Survivor Benefits
- Re-Employment
- Annual Allowance
- Lifetime Allowance

The Police Pension Scheme

Graham Newman
Principal Pensions Officer
City of London

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Agenda

- The Schemes
- The Costs
- The Benefits
- The Reforms

The 3 Schemes

- The Police Pension Scheme 1987
- The Police Pension Scheme 2006
- The Police Pension Scheme 2015

What do they have in common?

- Defined Benefit
- Unfunded
- Index-linked
- Statutory

Pensionable Service

- Police Service with :
City of London or any other Home Office Force
- Transferred in service :
from other occupational schemes or,
other pension arrangements
- Enhancements as applied for ill health

Pensionable Pay

What is pensionable pay ?

- Basic Salary
- London Weighting
- Appropriate Temporary Salary

Pension Contributions

- 3 tiered bands based upon basic pay

Annual Rate of Basic Pay	1987 Scheme	2006 Scheme	2015 Scheme
	2016/17 Rate	2016/17 Rate	2016/17 Rate
Less than £27,000	n/a	11.0%	12.44%
£27,000 - £60,000	14.25%	12.05%	13.44%
£60,000 +	15.05%	12.75%	13.78%

Retirement Ages

Compulsory Retirement Ages

- Constable to Chief Inspector 60
- Superintendent to ACPO ranks 65

Retirement ages (continued)

When Can I retire? – The 1987 Scheme

- Compulsory Retirement Age
- Age 55 (if this was your old compulsory retirement age)
- At any age with 30+ calendar years service
- Age 50 with 25+ calendar years service (but with restrictions to the maximum permitted lump sum)

Retirement ages (continued)

When Can I retire? – The 2006 Scheme

- Compulsory Retirement Age
- Age 55

Retirement ages (continued)

When Can I retire? – The 2015 Scheme

- Normal Pension Age (NPA) 60
- Normal Minimum Pension Age (NMPA) 55

Officer's with at least 2 years' qualifying service can retire from NPA with immediate access to their pension (or NMPA, but subject to actuarial reduction).

Early Leavers

- Refund - less than 2 years service.
- Deferred Pension – at least 2 years service (but before an eligible retirement date); payable from:
 - 1987 Scheme – age 60
 - 2006 Scheme – age 65
 - 2015 Scheme – the officer's individual State Pension Age (SPA).

The Pension Calculation - 1987 Scheme

- 1/60ths of average pensionable pay for each year of service for the first 20 years
- 2/60ths of average pensionable pay for each year of service thereafter
- Maximum service for pension = 30 years

EXAMPLES

- 25 years service = 30/60ths
- 30 years service = 40/60ths

The Pension Calculation - 2006 Scheme

- 1/70th of average pensionable pay for each year of service up to a maximum of 35 years
- Automatic lump sum of 4 times annual pension

The Pension Calculation - 2015 Scheme

- For every year of pensionable service, you will accrue an earned pension equivalent to 1/55.3th of your Pensionable Earnings for that year.
- This goes into a 'pot' of earned pension, which builds up each year as more is added.
- The accrued earned pension in the 'pension pot' is uprated each year in line with CPI + 1.25%.
- No upper limit to service that can be accrued.

Commutation - 1987 Scheme

Officers may commute up to 1/4 of their pension if they:-

- can reckon 30 years calendar service, or
- are eligible to receive their pension because of their age or,
- have to retire because of ill-health

Commutation - 1987 Scheme (continued)

- Officers retiring with less than 30 years service and before their compulsory retirement age are limited to a lump sum of 2.25 times their annual pension.
- Commutation factors are age-related.

Commutation - 2015 Scheme

At retirement, officers have the option to commute pension in exchange for a lump sum.

- The maximum lump sum that can be paid is 25% of the 'cash value' of the annual pension at retirement.
- The commutation rate is £12 of lump sum for every £1 of annual pension given up.

Average Pensionable Pay (1987 & 2006 Scheme)

- Average Pensionable Pay (APP)
this is normally the pensionable pay received over your final year
 - Best of the last 3 years possible in the 1987 Scheme
 - Best of the last 10 years possible in the 2006 Scheme
- Example – if officer retires 30/06/2017, potential APP periods:
 - 01/07/2016 – 30/06/2017
 - 01/07/2015 – 30/06/2016
 - 01/07/2014 – 30/06/2015

Example 1 – 1987 Scheme

- Officer retiring at age 60 with 30 years service
- Average pensionable pay: £ 40,008.00
- $40/60 \times £ 40,008.00 = £ 26,672.00$ Gross Pension
- Maximum amount for commutation: £ 6,668.00
- Residual pension: **£ 20,004.00 p.a.**
- Commutation factor at age 60: 18.90
- Commutation lump sum: $£ 6,668 \times 18.90 = £ 126,025.20$

Example 2 – 1987 Scheme

- Officer retiring at age 50 with 25 years service
- Average pensionable pay: £ 40,008.00
- $30/60 \times £ 40,008.00 = £ 20,004.00$ p.a. Gross Pension
- Maximum lump sum limited to 2.25 X Gross Pension
 $£ 20,004.00 \times 2.25 = \textbf{£45,009.00}$
- Commutation factor at age 50 = 22.70
- Amount required to be commuted for maximum lump sum
 $£ 45,009.00 / 22.70 = £ 1,982.78$
- Residual pension:
 $£ 20,004.00 - £ 1,982.78 = \textbf{£ 18,021.22 p.a.}$

Example 3 – 2006 Scheme

- Officer retiring at age 60 with 35 years service
- Average pensionable pay: £ 40,008.00
- Annual Pension
 $1/70 \times 35 \times £40,008.00 = £20,004.00$
- Automatic Lump Sum
 $4/70 \times 35 \times £40,008.00 = £80,016.00$

Example 4 – 2015 Scheme

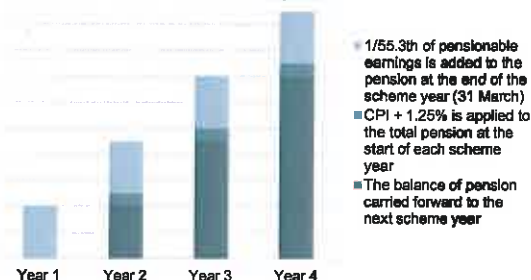
A 30 year old Active Member works full-time and earns £21,000 per year. Earned pension accrued over first Scheme Year is calculated as follows:

Year 1

Pensionable Earnings over the year: £21,000
Earned Pension account at end of Year 1: £379.75
(= £21,000 x 1/55.3th)

Example 4 – 2015 Scheme (continued)

How the pension builds up



Example 4 – 2015 Scheme (continued)

Year 30

If Pensionable Earnings grow at 1% per year, and CPI growth is 2% per year throughout career, total earned pension account at the end of year 29 will be £20,148.80.

Increased Year 29 earned pension account: £20,801.57 (= £20,148.80 + 3.25%)

Accrued earned pension in Year 30 will then be calculated as follows:

Pensionable Earnings over the year: £28,024.58 (= £21,000 × 1.01²⁹)
 Addition to earned pension account: £506.77 (= £28,024.58 × 1/55.3th)
 Total earned pension account at end of Year 30: £21,308.34
 (= £20,801.57 + £506.77)

Example 4 – 2015 Scheme (continued)

- Annual pension at retirement: £21,308.34
- Max amount to be commuted: £7,607.08
- Max lump sum: £91,284.93 (= £7,607.08 × 12)
- Residual annual pension: £13,701.26 (= £21,308.34 - £7,607.08)

Reforms and how the Schemes Interact

- Full Protection
- Tapered Protection
- Transitional Protection
- All benefits accrued under the terms of the 1987 / 2006 Schemes are protected under the terms of that Scheme

Reforms and how the Schemes Interact (continued)

- Officer with 1987 & 2015 Scheme Membership
 - Retires at 30 years notional pensionable service date, aged 50
 - 1987 Scheme benefits payable immediately
 - 2015 Scheme benefits deferred until SPA (can be drawn from age 55 but with actuarial reduction for early payment based upon how much earlier than SPA payment occurs).

Reforms and how the Schemes Interact (continued)

- Officer with 1987 & 2015 Scheme Membership
 - Retires with over 30 years notional pensionable service, aged 55
 - 1987 Scheme benefits payable immediately
 - 2015 Scheme benefits payable immediately, but with actuarial reduction for early payment based upon how much earlier than NPA payment occurs).

Reforms and how the Schemes Interact (continued)

- Officer with 1987 & 2015 Scheme Membership
 - Retires with over 30 years notional pensionable service, aged 60
- 1987 Scheme benefits payable immediately
- 2015 Scheme benefits payable immediately and unreduced.

Death & Survivor Benefits

Lump Sum Death Grant

- 1987 Scheme – 2 x pensionable pay
- 2006 & 2015 Schemes – 3 x pensionable pay
- 1987 Scheme – paid to spouse / civil partner or to estate.
- 2006 & 2015 Schemes – paid to spouse / civil partner / co-habiting partner / nominee / estate.

Death & Survivor Benefits

Survivor Pension

- A survivor's pension generally equivalent to half of the officer's pension entitlement
 - 1987 Scheme – spouse or civil partners only
 - 2006 & 2015 Schemes – spouse / civil partner / co-habiting partners
- Dependant children under the age of 23 may qualify for a pension.

Transferring-out

- Officers moving to another Home Office force will have their benefits automatically transferred with them – Interforce Transfer.
- May be able to transfer your accrued pension benefits to another Defined Benefit pension scheme.

Annual Allowance

- Annual Allowance - £40,000
- Pensions Input Period 06 April to 05 April
- Excess over allowance is taxable
- Carry forward 3 years of unused allowance
- Responsibility of officer to report details of any excess to HMRC
- Pensions Input Amount provided with Annual Benefit Statement

Lifetime Allowance

- Total value of your pension savings over a lifetime
- Benefits are measured against the LTA at the date of retirement – benefit crystallisation
- Pension accrual is calculated as:
(annual pension X 20) + lump sum

Retirement Procedures

- Notify HR that you are retiring, they will then inform the Pensions Office.

You will need to complete and return the following forms :-

- An election form in respect of commutation
- Where applicable, a tax mandate allowing the City of London to pay any tax charges on your lump sum directly to HMRC on your behalf.

A form to provide the following:

- Home address after retirement
- Bank or building society account details (for payment of your pension)
- Marital status at retirement and photocopies of relevant certificates

Other Features – Unpaid Leave

- Your accrual of pension may be affected by periods of unpaid leave. You can elect to pay the contributions that would otherwise have been due for the following periods of leave:
 - Unpaid adoption leave;
 - Unpaid maternity leave;
 - Unpaid parental leave;
 - Unpaid maternity support leave;
 - Unpaid adoption support leave; &
 - Unpaid sick leave of 6 months or less.

Unpaid Leave (continued)

- You must notify the Pensions Office of your wish to pay contributions for unpaid periods within 3 months of your return to work.
- The contributions must be paid within 6 months of the date you are informed of the amount to be paid.
- Contributions cannot be paid in respect of unpaid career breaks.

Other Features – Increasing Benefits

- You may opt to make added pension payments in order to increase:
 - Your retirement benefits for a period of service; or
 - Your retirement benefits and death benefits for a period of service.
- Added pension payments can be made by:
 - Periodical payments; or
 - A lump sum payment.
- The maximum amount of added pension that can be purchased is £6,500.00. This limit is reviewed annually by HM Treasury.
- Will affect pension growth for Annual Allowance purposes.

Other Features – Ill Health Retirement

Two potential tiers (2006 & 2015 Schemes):

- Lower tier ill-health pension
 - You are declared permanently medically unfit for the ordinary duties of a member of the police force, but not permanently medically unfit for any regular employment.
- Enhanced upper tier ill-health pension
 - You are declared permanently medically unfit for the ordinary duties of a member of the police force and also permanently medically unfit for any regular employment.

Other Features – Opting-out

- Schemes are not compulsory, can elect to opt-out
- Opt-out forms available from the Pensions Office
- Number of different considerations: lump sum death grant; net pay; pay awards
- Auto-enrolment every 3 years

Other Features – Re-employment



- Protected Pension Ages & potential tax implications
- Officers that retire between the age of 50 and 55 and are then re-employed by the same 'sponsoring employer' must have a break in employment of at least 1 month (period may be extended to 6 months if new job is materially similar to original job).
- Each case assessed on an individual basis by HR and Pensions

Annual Benefit Statements



- Issued each year
- Based upon service and pay up to 31 March of that year
- Sent via internal post to the department held on HR / Payroll system

Useful Links



- Home Office Guides
<https://www.gov.uk/government/collections/police-pension-schemes>
- Pension Tracing Service
<https://www.gov.uk/find-pension-contact-details>
- State Pensions
<https://www.gov.uk/state-pension/overview>
<https://www.gov.uk/state-pension-age>

Any Questions?



Police Pension Fund – Internal Audit Coverage

From our records, it was established that the last audit of Pensions was undertaken in 2014/15 which covered the following areas:

- Examination of a sample of pension payments to ensure that these had been correctly calculated in accordance with the Government's Police Pension Scheme.
- That there is adequate separation of duties between the preparation of pension calculations and the checking of their accuracy.
- That a routine exercise is undertaken to ensure that pensions are only paid to those entitled i.e. that the Pensions Office has been informed of all pension recipients' deaths.

The audit concluded that:

- Sample testing of records and discussions with Pensions Office staff established that there are satisfactory controls over the calculation and payment of pensions.
- In addition, there are adequate supervisory checks performed on pension calculations, which are evidenced by signature.
- The Pensions Office receives monthly reports from a data matching bureau contracted to provide details of all pensioners registered deaths, which may not have been reported by executors.
- Life certificates are sent to overseas pensioners for completion, since details of registered deaths are not available from United Kingdom records.

While an assurance rating was not provided at this time, the assurance would have been Green - There is a sound control environment with risks to system objectives being reasonably managed. Any deficiencies identified are not cause for major concern. There were no recommendations made as a result of this audit.

Payroll audits have included sample checking of deductions including pension deductions. Our latest report (still in draft) does not highlight any specific issues in relation to pension deductions.

At this time, Pensions is not included in the current risk-focussed one year Audit Plan for 2017/18. Audit areas have been identified from the corporate, departmental and institutional business plans and risk registers, together with other sources of assurance and then risk assessed using a similar approach as that defined in the Risk Management methodology. Chief Officers and their senior management teams have then been consulted on the draft Audit Plan prior to prioritisation of the audits to establish the final Audit Plan, which is agreed by Summit Group and the Audit & Risk Management Committee. The Plan can take account of time since previous audit coverage as well as risk-focus and therefore some coverage of Pensions is likely to be highlighted as part of the 2108/19 Plan.

Pat Stothard
Head of Audit & Risk Management
25 April 2017.

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Police Pensions Board – Work Programme

Category	May 2017	TBC
Board Governance		Review of Terms of Reference
Communication with Scheme Members	Information which is circulated to scheme members, including: <ul style="list-style-type: none"> - Annual Statements. - Information provided to retirees. - Information provided to new starters. 	Embedding the Pension Scheme into the Induction Process.
The Police Pension Scheme	<ul style="list-style-type: none"> - Pensions Department Risk Register. - Scheme Record keeping. - Breaches since last meeting. - Complaints or Disputes. - Audit Reports. 	<ul style="list-style-type: none"> - Pensions Department Risk Register. - Scheme Record keeping. - Breaches since last meeting. - Complaints or Disputes. - Audit Reports.
National Regulatory Environment	<ul style="list-style-type: none"> - Schedule of Events - Regulations governing and National Guidance covering the Pensions Board. 	<ul style="list-style-type: none"> - Schedule of Events.
Training	<ul style="list-style-type: none"> - Relevant Background Information. - Identification of Training Needs. 	To be updated following assessment of training needs.

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