

Dear Force Lead

INITIAL COMMUNICATION ON PENSION REMEDY WORK PLAN

At the recent Pension Challenge Steering Group meeting we agreed to write out to forces to set out in more detail plans for taking forward the McCloud pension remedy work.

As you will be aware NPCC have provided a briefing and the Home Office a Fact Sheet and these documents set out the available information relating to the treatment of claimants and non-claimants and key dates for progressing the ET claims and a parallel process for non-claimants.

NPCC PENSIONS WORK PLAN

Over the coming period the focus of NPCC activity will be to

1. Engage with Home Office and Treasury seeking:
 - a) Details regarding the ability to commence implementation regarding treatment of claimants who are due to be taken off the taper, guidance on adjusting for employee contributions since 2015 and pension tax.
 - b) Requirements for operating no worsening protection / underpin for claimants.
 - c) Assurance on Home Office resource plans regarding remedy and funding of forces regarding remedy, compensation and implementation costs.

2. Represent the service in forthcoming ET hearings including the compensation claim process, and on Scheme Advisory Board (SAB) being tasked with Technical discussions on treatment of non-claimants

It is envisaged the Compensation process will initially be managed via the Pension Challenge Steering Group, given it will be progressed through the ET hearings. We will ensure there is communication with the Remedy Leads and co-ordination of local compensation claims.

3. Link in with Pension Scheme Administrators and System Providers -



to agree key issues, sequencing / timelines, prioritisation and achieve common approach where possible - Initial meetings will take place in the coming weeks, with a view to a structured engagement in the new year and consideration of the most cost-effective means of validating the operation of systems to support implementation and the need for system development, including budgetary impact.

4. Establish a Pension Remedy Working Group –

The purpose of the group is to update Forces on developments, identify key issues, act as a communication point and provide guidance to forces to support local implementation of remedy (covering prioritisation, resource planning and managing data) recognising forces have different models for pension provision, different pension systems and legacy arrangements.

In addition Kevin Courtney will be attending local Pension Boards in the coming months. Alongside this we have put in place a contact point for you to raise questions - policeremedy@local.gov.uk

FORCE REMEDY IMPLEMENTATION WORK PLAN

Alongside NPCC activity Forces will need to put in place their own local arrangements to manage implementation of remedy which we envisage to be a large-scale and long-term project. Set out below are the suggested next steps for forces:

1. Appoint a 'Pension Remedy Lead'

We are not specific on who (level/ function) this should be, but they will act as a focal point for communication between the NPCC and your force and co-ordinate remedy implementation in your force. NPCC Pensions will be establishing a Remedy Implementation Working Group to co-ordinate activity with Force Pension Remedy Leads.

Please advise pensionslegalchallenge@herts.pnn.police.uk of your Force Pension Remedy Lead. This can be same person as your Force Legal SPOC who is supporting the co-ordination of the legal action via the Steering Group, although it is envisaged it will cover a wider range of issues and hence would be better suited to your relevant Force Pension Lead. The first Working Group conference call will take place at 2.00pm 2 December. We will endeavour to link in with Lead who cannot attend and to put in place a training event in the New Year.

2 Establish a Force/Collaborative Project Team.

It is proposed that Forces establish a project board to co-ordinate activity across Pensions Client side / Scheme Manager, Pension Administrator, Finance, HR, Legal and Communications putting in place a project plan and securing the resources to manage implementation.

There have been recent examples of this approach on a number of recent pensions issue - transition of members to the 2015 scheme and the 2017 auto enrolment exercise are both examples where similar cross functional teams have previously been established to collaborate to achieve a shared objective, so forces may wish to draw on this expertise.

3. Validate claimant population

This is likely to require co-ordination and sharing of data between the legal function (who hold details of claimants) and the Pension administration function who holds details of pension scheme membership. Forces will need to validate the list of claimants including relevant service.

Please provide to pensionslegalchallenge@herts.pnn.police.uk by 20 December details of the total number of claimants in your force included in the ET hearing. This will assist us in supporting forces as the ET progresses.

Once you have validated the claimant population for your force we suggest you undertake more focused work to analyse the make-up of claimants cohort (e.g officers to be taken off tapered protection, officer in receipt of ill-health pension, 2015 pensions in payment, officer who have deferred pension and transferred pension etc). We are in dialogue with HO on the key categories and in due course will provide a template for this to ensure consistent reporting and to assist in local prioritisation, planning and sequencing of work.

4. Identify relevant officer group impacted by remedy (claimant and non-claimant)

i.e. all officers who were members of the 1987 and 2006 Schemes as at 31 March 2012 and transferred onto the 2015 Scheme on 1 April 2015, or would subsequently following tapered protection.

Please provide to pensionslegalchallenge@herts.pnn.police.uk by 31 January 2020 details of the number of officers (including claimants) impacted by the McCloud judgment, breaking them down by those transferred without taper and with taper. This will assist in NPCC supporting forces and following up as the SAB process for non-claimants progresses. We envisage this to be a complex piece of work for forces and will discuss with Remedy Leads at the Working Group how forces take this forward recognising the range of pension providers, systems and legacy arrangements.

Once you have identified the relevant officer group in your force we suggest you undertake more focused work on the make-up of the group (e.g. officers to be taken off tapered protection, officer in receipt of ill-health pension, 2015 pensions in payment, officers who have deferred pension and transferred pension etc) to assist you in prioritisation, planning and sequencing work. In due course we will provide a template for this to ensure consistent reporting. This exercise will need to include officers who have left service since April 2015, transferred to other forces, died, retired or otherwise left service or opted out of the pension scheme.

5. Plan / Budget for resources required to support remedy implementation

Forces should put in place arrangements to plan and record resource and cashable costs required to undertake implementation and to advise Finance leads of budgetary requirements.

We look forward to working with you over the coming period.



James Hurley
NPCC Pension Lead



Kevin Courtney
NPCC Pension Advisor