

## 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.