

Home Office Pension update – November 2013

The Home Office has now provided some further information about pension reform. Home Office Circular 14/2013 sets out the Government's final position on some of the detail, including further information about how transitional arrangements will apply:

[If you would like to view the Home Office Circular \(14/2013\) please click here](#)

PFEW RESPONSE TO HOME OFFICE PENSIONS CIRCULAR (HOC 14/2013)

Following the review of all public service pensions carried out by Lord Hutton, the Home Secretary announced the Government's position on the long term reform of police pensions on 4th September 2012 when she published the Reform Design Framework for the 2015 Career Average Revalued Earnings (CARE) police pension scheme.

That framework set out the main elements of the new scheme and transitional arrangements. Since that date discussions about the detail of the scheme and the transitional arrangements have continued at the Police Negotiating Board. Today, the Home Office has published a circular (Home Office Circular 14/2013) setting out some further information about pension reform. While discussions will continue for some time on unresolved matters, the circular sets out the Government's final position on some of the detail, including further information about how transitional arrangements will apply.

Pensions are a central part of police officers' terms and conditions and a matter of the utmost concern to our members. We have not welcomed and do not welcome pension reform, but we have sought to ensure that the position on the detail is as beneficial to members as possible. There are aspects of the detail in the Circular which provide some reassurance to some members, and which we welcome, including:

- confirmation that pensionable service transferred into the police schemes from other employments will reckon in the same way as ordinary pensionable service for the purposes of assessing eligibility to full transitional protection and tapering protection;
- agreement that part-time service will count as if full-time for the purposes of assessing eligibility to full transitional protection and tapering protection;
- agreement that part-time service will benefit from weighted accrual for those who transfer to the 2015 CARE scheme with service in the Police Pension Scheme (PPS) 1987; and
- confirmation that members will still be able to commute their PPS 1987 pensions using the rules which apply to the PPS 1987 scheme.

In relation to legal challenges, it is now clear, following the Public Services Pensions Act 2013, that, as we expected, the Government has avoided the protections contained in section 2 Police Pensions Act 1976. That means that no legal challenge under section 2 is available.

In terms of the detail, we continue to monitor the legal position. The new scheme and transitional arrangements must be legally compliant. We are pressing to ensure that they are legally compliant, and if in the future they are not and members have claims which are likely to succeed, we will support them.

We remain committed to ensuring that our representatives and members have as much information as possible to enable them to understand the implications of the changes that have been announced and have produced a further FAQ document dealing with the Home Office Circular which is available on our website, using the link below:

[If you would like to view the FAQ's on long term reform of police pensions please click here](#)

I will keep you informed of any further developments.

Ian Rennie

General Secretary

Police Federation of E&W