

**UK POLICE PENSIONS CONSULTATIVE FORUM & SCHEME ADVISORY
BOARD MEETING**

24th Meeting, 6 October 2020. 10:30 – 15:30

Minutes

Members Present via video conference:

Independent Chair

Elizabeth France

Secretariat

Afsana Begum

Police Federation of England and Wales (PFEW)

Alex Duncan (SAB Member)

Mike Brown

Gemma Lofts

Police Superintendents' Association (PSA)

Dan Murphy (SAB Member)

Association of Police and Crime Commissioners (APCC)

Andy Tremayne (SAB Member)

Chief Police Officers' Staff Association (CPOSA)

Shabir Hussain (SAB Member)

Lisa Winward (SAB Member)

National Police Chief's Council (NPCC)

James Hurley (SAB Member)

Kevin Courtney

National Association of Retired Police Officers (NARPO)

Steve Edwards (SAB Member)

Home Office (HO)

Frances Clark

Tahmina Ahmad

Sara Alderman

Wadha Salah

Scottish Police Federation (SPF)

Calum Steele

Superintendent's Association of Northern Ireland (SANI)

Represented by PSA

Association of Scottish Police Superintendents (ASPS)

Craig Suttie

Scottish Government

Iain Coltman

Police Federation Northern Ireland (PFNI)

Liam Kelly

Department of Justice, Northern Ireland (DoJNI)

Antonia Hoskins

Scottish Police Authority

Sharon Dalli

Welcome and apologies

1. The Chair welcomed Frances Clark, replacing Angela Chadha as Deputy Head, Police Workforce & Professionalism Unit - Reward and Recognition at the Home Office.
2. The agenda of the meeting would primarily focus on the SAB's response to HMT's consultation paper 'Public service pension schemes; changes to the transitional arrangements to the 2015 schemes.'

Minutes of the meeting 1 July 2020

3. The minutes of the previous quarterly meeting were agreed. **Action Point 1: Secretariat to publish final minutes of 1 July 2020 on webpage.**

Matters arising/action log

4. *The Chair went through the action log of 1 July meeting, which has been updated in the light of discussion.*

Key points discussed were:

Action Point 2 (Opt out rate) - GAD's comments on the impact of an 8-9% opt out on the viability of the scheme had been circulated to members on 2 October, as well as an analysis of the 2020 police opt-out data. This included a spreadsheet which contained the opt out rates by force for 2020, including the raw data broken down by age group and pension scheme. Members welcomed the depth of the response they received from GAD and HO. As it was a complex area, NPCC said they would require time to review the information provided in order to feedback comments. The data appear to confirm concerns that the opt out rate could impact the integrity of the scheme, as well as highlighting the need to explain to recruits the value of the pension as part of their remuneration package. After discussion, it was agreed that the Chair would draft a letter to the Home Office drawing attention to the concerns. Alex Duncan (PFEW) suggested

a document produced by NPCC and HO would be useful in explaining and educating people on the benefits of the pension. HO recognised it would be of value and would work with NPCC to consider how to take this forward. **Action Point 2: Chair to write to Policing Minister setting out concerns on opt out rate and suggesting generic material be produced for use by forces during induction, and to be available to all.**

Action Point 5 (Covid-19 tax relation) – HO circulated a statement on tax relaxation for officers returning in response to the Covid-19 crisis who then carry on service. Dan Murphy (PSA) pointed out that the text of the government's update said that the tax relaxation *may* be extended to April 2021. It was important to know as soon as possible whether it would be, as it could affect an individual's decision to retire. HO would continue to seek a response from HMT on this matter. **Action Point 3: HO to clarify with HMT whether the break in service easement will be extended for officers returning in response to Covid-19 crisis.**

Lisa Winward (CPOSA) reminded the SAB that tax implications had been raised before Covid-19 in relation to the police uplift programme. HO reported that HMT had made clear the agreement was only in relation to Covid-19. It was agreed HO would discuss the matter further with PUP team. **Action Point 4: Frances Clark (HO) to discuss with Police Uplift Programme leads the continuation of the tax and pension rules for officers returning to service after Covid-19 as part of the PUP with a view to coordinating a business case.**

Action Point 7 (Pension abatement) – There was a discussion about abatement and the importance to having an appropriate balance. Iain Coltman reported that Scotland had ministerial agreement to exempt abatement for the foreseeable future due to Covid-19, for policing and firefighters. Questions were raised as to whether the HO could remind Chief Officers of their discretion in the current context. **Action Point 5: HO and NPCC to discuss what action might be appropriate in relation to rules around abatement.**

Action Point 8 (Injury benefit) – Judicial reviews in relation to injury benefit cases would be discussed at the January quarterly meeting.

Action Point 9 (Pension sharing orders) and Outstanding Action Points 11 (Civil partnership guidance), 12 (pensionable pay), and 6 (re-joiners) – Due to new staff changes within the HO pensions team, these action points had not been progressed. They would now consider how to prioritise them and provide the secretariat with realistic estimated dates for completion.

5. *The Chair went on to discuss the outstanding action points from previous meetings:*

Outstanding Action Point 2 from 13 January 2020- Home Office were actioned to provide guidance on scheme sanction charges; they were currently considering the legal risks involved with the potential options and

would be making a statement when an approach had been agreed with HMT.

Outstanding Action Point 2 from 2 April 2019 – HO reported that the Web Team had agreed to set up a Police Pensions collection page on GOV.UK. To ensure pension related HO communication documents are easier to search online, this will contain links to useful documents. Members were asked to provide suggestions for content. **Action Point 6: All members to provide HO suggestions for content that would be useful to upload on the Police Pensions collection page.**

Discussion of SAB's draft response to HMT consultation

6. A draft version of the SAB's response to the HMT consultation on public service pension schemes: changes to the transitional arrangements to the 2015 schemes was circulated to members. The Chair went through each question in the consultation with members, taking note of any comments and suggested changes.

After discussion a draft response was agreed. In parallel there remained two questions on which CPOSA sought responses:

7. Question 1 - Shabir Hussain stated that CPOSA had, while considering the consultation, and with the benefit of legal advice from counsel, now concluded that the 1987 Police Pension Scheme was discriminatory by design since dual accrual structure cannot rely upon the statutory exemption contained in para 17(i) of schedule 1 of the Equality Act (Age Exceptions for Pension Schemes) Order 2010. He requested that SAB seek a response on the point from the HO. **Action Point 7: HO to clarify why dual accrual in the 1987 scheme (which pre-dates the 2010 Equality Act) remains justifiable discrimination.**
8. Question 6 - Shabir Hussain (CPOSA) raised the outstanding question on safeguarding and asked for this to be answered for the SAB. **Action Point 8: HO to ask HMT what safeguards exist to underpin the DCU, and whether there would be continued uncapped indexation for members to the point of their retirement?**

Agreement on next steps for response

9. It was agreed a revised version of the SAB's response to the Remedy consultation would be circulated to members and the final response would be submitted to HMT on the 9th October.

AOB

10. Alex Duncan (PFEW) raised the announcement from government announcing the un-pausing of the cost cap. He thought the SAB should be making observations on the government's proposal, and while it was noted that engagement with the SAB was planned for 2021 (when draft

directions are due to be published), a shared understanding of the rationale in advance would allow the SAB to adequately prepare for a discussion at the next quarterly meeting in January. **Action Point 9: Chair to write to HMT asking for an explanation of the rationale for the approach to the un-pausing of the cost cap in advance of any engagement in 2021.**

11. Shabir Hussain (CPOSA) asked that the Home Office put the following question to GAD: **Action Point 10: Annual revaluation in the 2015 CARE police scheme involves CPI + 1.25%. Assuming that CPI is included in the valuation exercise, how would 10% CPI in the final year of the recent (suspended) 2016 valuation have affected the outcome?**

12. Antonia Hoskins (DoJNI) informed members of a consultation due in regards to the Police Service of Northern Ireland and Police Service of Northern Ireland Reserve (Injury Benefit) (Amendment) Regulations 2020. The Department of Justice planned to make amendments to Police Service of Northern Ireland and Police Service of Northern Ireland Reserve (Injury Benefit) Regulations 2006 S.R.268 (Police Injury Benefit Regulations) to ensure that the injury benefit scheme continues to work effectively for officers who join the new police pension scheme established by the Police Pensions Regulations 2015 (the 2015 scheme). It will also allow for technical updates relating to Employment Support Allowance and Incapacity Benefit.

Date of next meeting

13. The next meeting will be held on 11 January 2021.

PABEW Secretariat
10 October 2020

	Actions	Date of the Meeting	Who/date to be completed by:	Status – to be updated and re-circulated before the next meeting
1	Secretariat to publish final minutes of 1 July 2020 on webpage.	6 October 2020	Secretariat	Completed
2	Chair to write to Policing Minister setting out concerns on opt out rate and suggesting generic material be produced for	6 October 2020	Chair	Completed Letter sent on 23 November. Home Office to update members at quarterly meeting.

	use by forces during induction, and to be available to all.			
3	HO to clarify with HMT whether the break in service easement will be extended for officers returning in response to Covid-19 crisis.	06 October 2020	Home Office	Completed HO circulated a statement on 6 January which addressed the expiry of the HMT tax relaxation for officers returning in response to Covid-19 crisis (as well as matters on action point 5 and 7.)
4	Frances Clark (HO) to discuss with Police Uplift Programme leads the continuation of the tax and pension rules for officers returning to service after Covid-19 as part of the PUP with a view to coordinating a business case.	06 October 2020	Frances Clark, Home Office	Completed
5	HO and NPCC to discuss what action might be appropriate in relation to rules around abatement.	06 October 2020	Home Office and NPCC	Completed HO/NPCC informally discussed the action which may be appropriate in relation to the rules around abatement. The Home Office later circulated a statement (6 Jan) which addressed the points discussed.
6	All members to provide HO suggestions for content that would be useful to upload on the Police Pensions collection page.	06 October 2020	All members by 06 November 2020	Completed
7	HO to clarify why dual accrual in the 1987 scheme	06 October 2020	Home Office	Ongoing

	(which pre-dates the 2010 Equality Act) remains justifiable discrimination.			
8	HO to ask HMT what safeguards exist to underpin the DCU, and whether there would be continued uncapped indexation for members to the point of their retirement.	06 October 2020	Home Office	Completed A response was circulated on 10 December saying the WMS published on 16 July says that “ All affected members, whether they originally received transitional protection or not, will be able to decide whether the take the legacy or reformed scheme benefits for the period 1 April 2015 to 31 March 2022”.
9	Chair to write to HMT asking for an explanation of the rationale for the approach to unpausing of the cost cap in advance of any engagement in 2021.	06 October 2020	Chair	Completed Letter sent to HMT on 09 December.
10	HO to ask GAD: Annual revaluation in the 2015 CARE police scheme involves CPI + 1.25%. Assuming that CPI is included in the valuation exercise, how would 10% CPI in the final year of the recent(suspended) 2016 valuation have affected the outcome?	06 October 2020	Home Office	Completed A detailed explanation from GAD was circulated on 05 November.
OUTSTANDING FROM PREVIOUS MEETING				

7	HO to provide explanation why pension abatement had not been applied in full to the police schemes in accordance to recommendation 10 from the Hutton report.	01 July 2020	Home Office	Completed This action was addressed in the HO statement circulated to SAB (as part of action point 3, 5 & 7)
8	PFEW to produce paper on judicial reviews in relation injury benefit cases for October quarterly meeting.	01 July 2020	PFEW by 01 January 2021.	Completed
9	HO to review circular from 2001 re pension sharing orders.	01 July 2020	Home Office	On Hold The HO is unable to review circular from 2001 pension sharing orders at present due to the ongoing focus on the McCloud Sargeant remedy and other legal cases.
11	Home Office to amend the guidance re civil partnership in accordance with legislation.	02 April 2020	Home Office	On Hold The HO is unable to review circular from 2001 pension sharing orders at present due to the ongoing focus on the McCloud Sargeant remedy and other legal cases.
12	Home Office to take matters regarding clarity of what constitutes as pensionable pay in the pension scheme regulations to lawyers.	02 April 2020	Home Office	Ongoing Currently with HO lawyers.
2	Home Office to provide guidance	13 January 2020	Home Office	Ongoing

	on scheme sanction charges to secretariat and Chair.			
4	Staff Associations' joint letter explaining their joining the FBU action challenging the pausing of the cost cap remedy to be sent directly to Secretariat, who would share with members.	13 January 2020	Staff Associations and Secretariat	Completed The FBU have now issued their letter.
6	Home Office to look at previous advice provided on re-joiners with HMT.	13 January 2020	Home Office	Ongoing Delayed due to pressures of other work.