
STATUTORY INSTRUMENTS

1997 No. 2852

POLICE

The Police Pensions (Amendment) (No. 2) Regulations 1997

Made - - - - *1st December 1997*
Laid before Parliament *8th December 1997*
Coming into force - - *29th December 1997*

The Secretary of State, in exercise of the powers conferred on him by section 1 of the Police Pensions Act 1976⁽¹⁾, with the consent of the Treasury⁽²⁾ and after consultation with the Police Negotiating Board for the United Kingdom, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Police Pensions (Amendment) (No. 2) Regulations 1997 and shall come into force on 29th December 1997.

Amendment of the Police Pensions Regulations 1987

2. The Police Pensions Regulations 1987⁽³⁾ shall be amended in accordance with the following provisions of these Regulations, and any reference in these Regulations to a numbered regulation is a reference to the regulation so numbered in those Regulations.

Mis-sold pensions

3. After regulation F10 there shall be inserted the following regulation:

“Mis-sold pensions

F11.—(1) This regulation shall apply to a regular policeman who—

- (a) opted or transferred out; and
- (b) has suffered loss as a result of a contravention which is actionable under section 62 of the Financial Services Act 1986⁽⁴⁾ (*actions for damages in respect of contravention of rules etc. made under the Act*).

(1) 1976 c. 35; section 1(1) was amended by section 2(3) of the Police Negotiating Board Act 1980 (c. 10).
(2) Formerly the Minister for the Civil Service: see S.I. 1981/1670.
(3) S.I. 1987/257; relevant amendments were made by S.I. 1990/805.
(4) 1986 c. 60.

(2) A regular policeman to whom this regulation applies may give notice in writing to the police authority that he wishes the authority to accept payment of a transfer value in order to create or restore reckonable service, and such notice shall be treated as cancelling, with effect from the date on which an instalment of pay next falls due to him, any election that is in force under regulation G4(1) in respect of that policeman.

(3) Where a regular policeman has given notice under paragraph (2), but before the payment has been accepted and reckonable service created or restored he either—

- (a) dies while serving as a member of a police force; or
- (b) becomes entitled to benefits under Part B,

paragraph (4) shall continue to apply in the case of that policeman.

(4) Where a transfer value in relation to a regular policeman who has given notice under paragraph (2) is paid to a police authority before the expiry of the period of twelve months beginning with the date on which the policeman gives such notice or such longer period as the police authority may allow, the police authority—

- (a) shall, if satisfied that the transfer value has been calculated in a manner consistent with the methods adopted and assumptions made by them in determining the restitution payment, accept the payment and treat the relevant period as reckonable service; and
- (b) may, if not so satisfied, but if satisfied that the transfer value represents, by reference to those methods and assumptions, a length of service not exceeding the relevant period, accept the payment and treat that length of service as reckonable service,

and the policeman shall be treated for the purpose of calculating any award under these regulations as having made pension contributions throughout the period of reckonable service credited under this paragraph.

(5) Where a regular policeman is credited under paragraph (4) with a period of reckonable service that is shorter than the relevant period, the period of service credited shall be treated for the purpose of any award under these regulations as being a continuous period with the same concluding date as the relevant period.

(6) Where a regular policeman who is being credited under paragraph (4) with a period of reckonable service has previously been credited with an additional period of reckonable service calculated in accordance with section 2 of Part IV of Schedule F (*calculation of transfer values and reckonable service by reference to accrued rights*) in respect of the relevant period, the police authority may adjust the transfer value that they accept under this regulation to ensure that no part of the additional period of reckonable service that was previously credited is included in the period of reckonable service credited under paragraph (4).

(7) In this regulation—

“the assumed calculation date” means the date on which it is assumed, for the purpose of calculating a restitution payment, that a transfer value will be paid to the police authority;

“the material date” means the date on which the police authority is asked to provide the calculation of the restitution payment;

“personal pension scheme” has the meaning given by section 1 of the Pension Schemes Act 1993(5);

“the relevant period”, in relation to a regular policeman, means the total of any periods of opted out and transferred out service;

“restitution payment”, in relation to a regular policeman, means an amount equal to the sum of—

- (a) the capitalised value at the material date, determined by the police authority in accordance with methods and assumptions notified to them by the Government Actuary for cash equivalent transfer values from occupational pension schemes (other than arrangements of a kind mentioned in paragraph 1(2) of section 2 of Part II of Schedule F), which would produce a service credit equal to his total period of opted out service, including the capitalised value of any rights under the Pensions (Increase) Act 1971⁽⁶⁾ and the Pensions (Increase) Act 1974⁽⁷⁾; and
- (b) the greater of—
 - (i) any transfer value paid to a personal pension scheme in respect of that policeman’s transferred out service by a police authority under regulation F10(4), increased by interest calculated at a rate approved by the Government Actuary over the period from the date of payment of that transfer value to the assumed calculation date; and
 - (ii) the cash equivalent transfer value that would be payable by the police authority in respect of that transferred out service if the police authority were to pay a cash equivalent transfer value in respect of that service determined in accordance with methods and assumptions, notified to them by the Government Actuary, applicable immediately after the assumed calculation date.

(8) For the purposes of this regulation, a regular policeman shall be taken—

- (a) to have opted out if, for any period during which he is a member of a police force, he does not make contributions (including any additional or further contributions that he had previously elected to make) in respect of police pension rights but instead makes contributions to a personal pension scheme; and
- (b) to have transferred out if a transfer value is paid in respect of him by a police authority to a personal pension scheme,

and “opted out service” and “transferred out service” are to be construed accordingly.”.

Removal of restrictions on rejoining

4. In regulation G4—

- (a) in paragraph (5) there shall be inserted at the beginning the words “Subject to paragraph (6).”; and
- (b) the following paragraph shall be inserted after paragraph (5):

“(6) The age restriction in paragraph (5) and the provisos to that paragraph shall not apply to a regular policeman to whom regulation F11 applies.”.

⁽⁶⁾ 1971 c. 56.
⁽⁷⁾ 1974 c. 9.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Home Office
27th November 1997

Alun Michael
Minister of State

We consent

1st December 1997

Graham Allen
Bob Ainsworth
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Police Pensions Regulations 1987 to enable police officers who have suffered actionable loss by moving to a personal pension scheme to have opted out or transferred out service restored on payment of a transfer value to the police authority (regulation 3). The age restriction on re-entering the police pension arrangements and the requirement to undergo a medical examination before re-entry will not apply to such police officers (regulation 4).