EXPLANATORY MEMORANDUM TO

THE POLICE PENSIONS (PART-TIME SERVICE) REGULATIONS 2005

2005 No.1439

1. This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of Her Majesty

2. Description

This instrument will, subject to annulment in pursuance of a resolution of either House, come into force on 22nd June 2005 and make revisions to the Police Pensions Regulations 1987 (S.I. 1987/257) and the Police Pensions (Purchase of Increased Benefits) Regulations 1987 (S.I. 1987/2215). The revisions relate to the fairer treatment of officers with part-time service, which was introduced in the police service on 1st July 1992.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Background

The instrument is made under section 1 of the Police Pensions Act 1976 as amended. Certain of the amendments made by the Regulations take effect retrospectively as permitted by section 1(5) of the Act.

5 Extent

The instrument applies to England and Wales.

6. European Convention on Human Rights:

Not applicable.

7. Policy background

7.1 The amendments make provision for police officers with part-time service to have access to pension benefits after the same qualifying period of pensionable service, in terms of calendar years, as they would have had if they had served full-time throughout. They also provide that part-time officers' pension benefits are to be calculated as if they had been full-time officers, and then pro-rated for periods of part-time service. This replaces the previous basis of calculation under which part-time service counted as pensionable service on the basis of the actual hours served.

7.2 The previous regulations were based on equal treatment in respect of hourly accrual of pension benefits. After a review of this policy in the light of relevant case law it was concluded that the regulations should be amended since they disadvantaged part-time officers in terms of their length of service in calendar years, and that this outweighed the need

for parity in hourly accrual, particularly since under the Police Pension Scheme reckonable service is accrued at a faster rate after 20 reckonable years.

7.3 Regulation 1 provides that the amendments in relation to ordinary and short service pensions, ill-health pensions, injury awards, deferred pensions and dependants' pensions shall be backdated to 1st July 1992, the date on which part-time service was introduced in the police service.

7.4 Regulation 2 and Schedule 1 make provision for the entitlement of part-time officers to various awards to be calculated on the new pro-rata basis described above. The position of officers is protected against the possibility that their entitlement to an ill-health pension (in the case of serving and former officers) or an injury award (in the case of former officers only) might be less than it would have been before these Regulations were made.

7.5 The regulation and Schedule also make provision for periods of reckonable pensionable service which are required before an officer is entitled to an award (such as an ordinary pension after 25 years) to be available to an officer with part-time service at the same point as if he had been in full-time pensionable service throughout. They also provide that awards which are based on the officer's average pensionable pay, which is always related to what a person would receive had he been full-time, should be pro-rated in the case of an officer with part-time service in the manner referred to above.

7.6 Regulation 3 and Schedule 2 provide that additional contributions by part-time officers who are in the course of purchasing increased benefits through periodical payments will be up-rated to enable them to accrue the amount they first elected to buy, unless they elect to purchase pro-rated benefits instead. Previously part-time officers effectively paid lower contributions than full-time officers for an entitlement to the same level of benefit.

7.7 The regulation and Schedule also provide for a similar choice for officers who first make an election to buy increased benefits (whether by lump sum or periodical contributions) while in part-time service. These provisions, and the similar provisions in regulation 2 and Schedule 1 in respect of additional contributions by women officers to make pre-1990 service count for widowers' pensions, are not backdated, in order to ensure that the added benefits so far are protected.

7.8 Regulation 4 provides for interest on late payments in view of the time during which some pensioners may have been paid a smaller pension than due to them under the back-dating provisions of these regulations.

7.9 Regulation 5 provides for pensioners who could have taken a lump sum, or could have taken a larger lump sum, before June 2005 as a result of the back-dating provision in these regulations to be able to make the necessary arrangements now.

7.10 In accordance with the provisions of section 1 of the Police Pensions Act 1976 this instrument was sent in draft to the Police Negotiating Board for consultation. The instrument was been amended in the light of some of the responses received from the Police Negotiating Board.

8. Impact

8.1 No Regulatory Impact Assessment has been prepared because no impact on the private or voluntary sector is foreseen.

8.2 The instrument will have a marginal additional impact on public sector resources but will also strengthen the attractiveness of the police service to more diverse workforce and help in its modernisation.

9. Contact

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