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STATUTORY RULES OF NORTHERN IRELAND

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**2015 No. 113**

**The Police Pensions Regulations (Northern Ireland) 2015**

**PART 10**

**Contributions**

**Amount of pensionable earnings**

**167.**—(1) For the purpose of this Part, the amount of a member's pensionable earnings for any period is determined in accordance with this regulation.

(2) The amount of pensionable earnings for any pay period for a person who falls within regulation 4(1)(a) or (c) in full time service as a member of the police service means the rate of pay to which the member is entitled as such a member in that pay period, account being taken of any retrospective increase in that rate.

(3) The amount of pensionable earnings for any pay period for a person who falls within regulation 4(1)(a) or (c) in part-time service is the amount of pensionable earnings that would be payable to that member in that pay period if the member were in full-time service.

(4) For a member who falls within regulation 4(1)(b) the amount of pensionable earnings for any pay period is determined in accordance with regulation 30(1)(c).

(5) Unless paragraph (6), (7) or (8) applies, the amount of the member's pensionable earnings during any period of assumed pay is equal to the member's assumed pay.

(6) For any period of assumed pay under regulation 31(2)(a) (assumed pay-reduced pay), the amount of the member's pensionable earnings is equal to the member's reduced pay while on sick leave, paid adoption leave, paid maternity leave, paid paternity leave, paid parental leave, paid maternity support leave or paid adoption support leave.

(7) For any period of assumed pay under regulation 31(2)(b) or (c) (assumed pay-statutory pay), the amount of the member's pensionable earnings is the amount statutory pay actually paid to or for the member in respect of the period of adoption leave, maternity leave, parental leave, paternity leave, maternity support leave or adoption support leave.

(8) For any period of assumed pay under regulation 31(2)(d) (assumed pay - permanent service), if the service pay is less than the rate of pay (account being taken of any retrospective increase in that rate) to which the member was entitled at the beginning of the period of permanent service, the amount of the member's pensionable earnings is equivalent to that rate of pay.

(9) Paragraphs (5), (6) and (7) do not apply to a member who falls within regulation 4(1)(b) or (d).

**Annualised rate of pensionable earnings**

**168.**—(1) For the purpose of this Part a member's annualised rate of pensionable earnings is calculated in accordance with this regulation.

(2) Where a member's pensionable earnings for a scheme year are payable to the member in 12 instalments, the member's annualised rate of pensionable earnings is calculated as follows, rounded down to the nearest whole pound—

$$12P$$

where P is the amount of a payment of the member's pensionable earnings.

(3) Where a member's pensionable earnings for a scheme year are payable to the member otherwise than in 12 instalments, the member's annualised rate of pensionable earnings is calculated as follows, rounded down to the nearest whole pound—

$$P \times \frac{365}{N}$$

where—

*P* is the amount of a payment of the member's pensionable earnings; and

*N* is the number of days in the relevant pay period.

(4) For the purpose of paragraph (3) the relevant pay period is—

- (a) for the first payment of pensionable earnings, the period beginning on the member's first day of pensionable service and ending on the day before the day that this payment of pensionable earnings is made; or
- (b) otherwise the period beginning on the day the previous payment of pensionable earnings was made and ending on the day before the day that this payment of pensionable earnings is made.

(5) If the scheme year in which the payment of pensionable earnings is made includes 29th February, paragraph (3) has effect with "366" substituted in place of "365".

### **Rate of member's contributions**

**169.**—(1) An active member of this scheme must pay contributions to this scheme ("member contributions") on the member's pensionable earnings for each pay period at a rate determined under this regulation ("member contributions rate").

(2) The member contributions rate during a scheme year mentioned in the table is the percentage set out in column 2 or 3 of the table which applies to a member's annualised rate of pensionable earnings calculated in relation to each payment of the member's pensionable earnings.

(3) Column 2 sets out the member contributions rate which applies if the scheme manager determines under Chapter 4 of Part 4 that the member is eligible under this scheme for payment of ill-health benefits under this scheme<sup>(1)</sup> ("full member contributions rate").

(4) Column 3 sets out the member contributions rate which applies if the scheme manager determines under regulation 33 (determination of eligibility) that the member is ineligible for ill-health benefits under this scheme ("reduced member contributions rate").

(5) A reduced member contributions rate ceases to apply to a member from the date the scheme manager determines under regulation 34 (re-determination of eligibility) that the member is eligible under this scheme for payment of ill-health benefits.

(6) The member contributions rate which applies to a member's pensionable earnings is the rate which applies when the payment of pensionable earnings is made.

(7) For the purpose of paragraph (6), for any pay period in respect of which the member is taken to receive assumed pay, the assumed pay is taken to be paid the payment of the member's pensionable

(1) See Chapter 2 of Part 4 (determination of eligibility for ill-health benefits under this scheme).

earnings for that pay period would have been made had the circumstances in regulation 31(2) (assumed pay) which apply to the member not applied.

**For each scheme year falling in period beginning 1st April 2015 and ending 31st March 2019**

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>
<i>Annualised rate of pensionable earnings</i>	<i>Full Member Contributions rate</i>	<i>Reduced Member Contributions rate</i>
£27,000 or less	12.44%	9.94%
More than £27,000 but less than £60,000	13.44%	10.94%
£60,000 or more	13.78%	11.28%

**Payment of member contributions**

170.—(1) Member contributions for each period are to be deducted by the member's employer in respect of the member's pensionable earnings for that pay period.

(2) A member's employer may make contributions on the member's behalf in circumstances determined by the scheme manager.

**Option to pay member contributions for period of unpaid leave**

171.—(1) This regulation applies in respect of an active member of this scheme who returns from a period of—

- (a) unpaid adoption leave;
- (b) unpaid maternity leave;
- (c) unpaid parental leave;
- (d) unpaid maternity support leave;
- (e) unpaid adoption support leave; or
- (f) unpaid sick leave.

(2) For the purpose of paragraph (1), unpaid leave does not include any leave in respect of which statutory pay is payable under the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

(3) The member may by written notice to the scheme manager opt to pay the amount of contributions that would have been payable for the period of unpaid leave.

(4) A member may exercise this option in relation to one or more periods of unpaid sick leave if—

- (a) each period of unpaid sick leave does not exceed 6 months; and
- (b) the total period of unpaid sick does not exceed 12 months.

(5) The option must be exercised by the earlier of —

- (a) the end of the 3 month period beginning with the day on which the member returns to work; and
- (b) the member's last day of pensionable service under this scheme.

(6) On receipt of a notice under paragraph (3) the scheme manager must calculate the amount of contributions payable and give the member a notice stating that amount.

(7) For the purpose of calculating the amount of contributions payable, the annual rate of the member's pensionable earnings is taken to be the rate that applied at the beginning of the period of unpaid leave.

#### **Payment of member contributions for unpaid leave**

**172.**—(1) Within 6 months after receiving the notice under regulation 171(6) ("payment period"), the member must pay to the scheme manager the full amount stated in the notice.

(2) If the member leaves eligible service before the full amount is paid, the member must pay the balance within 2 months of leaving eligible service, as long as this falls within the payment period.

(3) The amount may be paid by—

- (a) a lump sum payment made by the member; or
- (b) instalments deducted by the member's employer from the member's pay.

(4) If the full amount is not paid by the end of the payment period, the scheme manager taking into account the unpaid amount must determine the period of unpaid leave in respect of which the member is taken to receive pensionable earnings.

(5) The member is taken to have paid the full amount if—

- (a) the member dies within the payment period; or
- (b) the member dies before the end of the 3 month period beginning with the day on which the member returns to work.

#### **Employer contributions**

**173.**—(1) The employer of an active member of this scheme ("the employer") must pay contributions to this scheme in respect of the member at the rate of 25.1% of the member's annualised rate of pensionable earnings ("employer contributions").

(2) Employer contributions must be paid at the intervals the scheme manager, in accordance with actuarial guidance, may for the time being determine.

(3) In addition, the employer must pay the following charges to this scheme at the rate and at the intervals the scheme manager may for the time being determine—

- (a) annual administration charges;
- (b) any other administrative charges.

#### **Deduction of payments for added pension under Schedule 3**

**174.** Schedule 3 has effect for the purpose of enabling deductions of payments for added pension.

#### **Refund of all member contributions and payments for added pension made by the member**

**175.**—(1) This regulation applies in relation to a continuous period of pensionable service under this scheme ("period of service").

(2) If paragraph (3) applies, the scheme manager must refund all member contributions and payments for added pension made by the member in relation to the period of service.

(3) This paragraph applies if—

- (a) the member opted out under regulation 28 (opting out before the end of 3 months); or
- (b) the member's pensionable service ceases and—
  - (i) the member has less than 2 years' qualifying service; and

(ii) if a transfer payment has been received by this scheme in relation to the member, it was from another occupational pension scheme.

(4) Member contributions and payments for added pension made by the member are not refundable if—

(a) a transfer payment has been made in respect of the member's accrued rights to benefits under this scheme; or

(b) a retirement pension has become payable to the member in respect of the period of service.

(5) If paragraph (3)(b) applies, the member is entitled to be paid an amount equal to the sum of all member contributions and payments for added pension made by the member, less an amount equal to the income tax payable under section 205 (short service refund lump sum charge) of the 2004 Act (2) as a result of a refund of those contributions and payments.

(6) If all member contributions and payments for added pension made by the member are refunded under this regulation, the member's rights under this scheme in relation to the period of service are extinguished.

#### **Member repays refund of contributions on rejoining this scheme**

**176.**—(1) This regulation applies to a member who—

(a) was in pensionable service under this scheme (“earlier period of service”);

(b) received a refund under regulation 175 (refund of all member contributions and payments for added pension made by the member) in relation to that earlier period of service; and

(c) after a gap in service not exceeding 5 years, rejoins this scheme.

(2) If within 6 months after re-joining this scheme (or any longer time the scheme manager determines) the member repays to the scheme manager the amount of the refund received under regulation 172 the active member's account must be adjusted to specify the amount of accrued earned pension as at the last day of pensionable service for the earlier period of service.