

2006 No. 123

POLICE

**The Police Service of Northern Ireland Pensions (Amendment)
Regulations 2006**

Made - - - - - *6th March 2006*

Coming into operation *1st April 2006*

To be laid before Parliament

The Secretary of State makes the following Regulations in exercise of the powers conferred by section 25 of the Police (Northern Ireland) Act 1998(a), read with Articles 14 and 15 of the Superannuation (Northern Ireland) Order 1972(b). In accordance with section 25(8) of that Act he has consulted the Northern Ireland Policing Board and the Police Association. In accordance with section 62(3) of the Police Act 1996(c) he has consulted the Police Negotiating Board for the United Kingdom. In accordance with section 72(2A) of the Police (Northern Ireland) Act 1998 he has obtained the consent of Treasury.

Citation and commencement

1.—(1) These regulations may be cited as the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006.

(2) These regulations come into operation on 1st April 2006 but regulation 2, in so far as it relates to paragraphs 4 to 9 of Schedule 1, and regulations 4 and 5 have effect from 1st July 1992.

Amendment of the Royal Ulster Constabulary Pensions Regulations 1988

2. The Royal Ulster Constabulary Pensions Regulations 1988(d) are amended in accordance with Schedule 1 to these Regulations.

Amendment of the Royal Ulster Constabulary Pensions (Purchase of Increased Benefits) Regulations 1988

3. The Royal Ulster Constabulary Pensions (Purchase of Increased Benefits) Regulations 1988(e) are amended in accordance with Schedule 2 to these Regulations.

Interest on late payments

4. Where all or part of a sum—

(a) 1998 c. 32; section 25 is amended by section 78(1) of the Police (Northern Ireland) Act 2000 and section 24(2) of the Police (Northern Ireland) Act 2003
(b) S.I. 1972/1073 (N.I. 10)
(c) 1996 c.16
(d) S.R. 1988 No. 374; relevant regulations are S.R. 1990 No. 411 and S.R. 1997 No. 259
(e) S.R. 1988 No. 379; relevant amending regulations are S.R. 1990 No. 411

(a) becomes payable under the amendments contained in these Regulations on a date before the date on which these Regulations come into operation, and
(b) is not or was not paid within three months of the date it became payable,
the Board shall pay the amount or additional amount payable together with interest from the date that payment was due calculated at the rate of 5 per cent per year, compounded with yearly rests.

Commutation of late payments

5. Any notice of commutation under regulation B7 of the Royal Ulster Constabulary Pensions Regulations 1988 in respect of a sum which becomes payable—

(a) under the amendments contained in these Regulations, and
(b) before the date on which these Regulations come into operation,
shall be given within six months of the date on which these Regulations come into operation.

Northern Ireland Office
28th February 2006

Peter Hain
One of Her Majesty's Principal Secretaries of State

We consent to the making of these Regulations

Vernon Coaker

Dave Watts

6th March 2006

Two of the Lords Commissioners of Her Majesty's Treasury

AMENDMENTS OF THE ROYAL ULSTER CONSTABULARY PENSIONS
REGULATIONS 1988

6. In regulation A8(2) (apportionment of pensionable service reckonable by reason of service of employment before or after a particular date for the purposes of calculating awards to or in respect of a member) after the words “a member” there are inserted the words “or for the purposes of regulation G6”.

7. In regulation B1(3) after sub-paragraph (b) there is inserted—

“(ba) being such a member as is mentioned in paragraph (2)(b), he retires or retired at the end of an appointment made for a fixed term in accordance with regulation 11 of the Police Service of Northern Ireland Regulations 2005(a) (or, if such a term has been extended, at the end of the appointment for the extended term).”.

8.—(1) Regulation G6 (payments by women members to enhance widowers’ awards) is amended as follows.

(2) In paragraph (1) —

(a) in sub-paragraph (b) for the words “includes service” there are substituted the words “includes pensionable service that is reckonable by reason of service or employment”, and

(b) in the words following that sub-paragraph for the words “service before” there are substituted the words “pensionable service that is reckonable by reason of service or employment before”.

(3) At the end of paragraph (3) there are inserted the words—

“or

(c) if such contributions have ceased to be payable either before or during that period and again become payable more than two years after the date of cessation, but on or before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation, that date, or

(d) if such contributions have ceased to be payable either before or during that period and again become payable more than 2 years after the date of cessation, but after the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation, the date on which they again become payable.”.

(4) For paragraph (4) there is substituted—

“(4) In a case where the material date is the date given by paragraph (3)(a) or (b), the additional contributions to be paid are calculated, subject to paragraphs (6) to (11), in accordance with the Table in paragraph (18) by reference—

(a) to the whole of the woman member’s pensionable service reckonable by reason of service or employment before 17th May 1990 (see column 1 of the Table), and

(b) to the woman member’s pensionable pay or, in the case of a woman member in part-time service, the pay that would be her pensionable pay if she were a full-time member (see columns 2 and 3 of the Table).

(4A) In a case where the material date is the date given by paragraph (3)(c) or (d), the additional contributions to be paid are such amounts as are determined in accordance with such guidance and Tables as the Government Actuary may issue for the purpose or, in any case where that guidance indicates that special considerations apply, such amounts as the Government Actuary determines for the case in question.

(4B) Where a woman member has made an election under this regulation to pay additional contributions by periodical payments before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation and is in part-time service on that date, the payments payable by her shall, subject to paragraph (4C), increase from that date to such amount as is appropriate as a result of paragraph (4)(b).

(a) S.R. 2005 No. 547

(4C) Such a woman member may vary the election by notice in writing to the Board given within the period of 3 months beginning with that date, and that variation shall take effect as from that date.

(4D) Where—

- (a) a woman member has made or makes such an election while she is in full-time service, and
- (b) her service becomes part-time on or after the date on which the Police Service of Northern Ireland (Amendment) Regulations 2006 come into operation,

any contributions she is making under the election by periodical payments shall, from the date on which her service becomes part-time and subject to paragraph (4E), increase to such amount as is appropriate as a result of paragraph (4)(b).

(4E) Such a woman member may vary the election by notice in writing to the Board given within the period of 3 months beginning with the date on which the service becomes part-time, and that variation shall take effect as from that date.

(4F) Where a woman member makes such an election on or after the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation and she is in part-time service on that date, she shall notify the Board in writing that either—

- (a) the contributions payable by her as a lump sum or by periodical payments are to be payable at the same percentage of her pay as if she were in full-time service; or
- (b) those contributions are to be payable in accordance with paragraph (4H).

(4G) Where a woman member varies an election under this regulation, the contributions payable by her by periodical payments shall, from the date when the election takes effect, continue to be payable at the same percentage of her pay as before the variation, but the period of the woman member's pensionable service counting as mentioned in paragraph (1) shall be given by the formula—

$$\frac{P \times V}{F}$$

where—

P is the period that would be the period in years of her pensionable service if periods of part-time service were reckonable as if they were periods of full-time service,

V is the amount of contributions paid by periodical payments, and

F is the amount of contributions that would have been paid by periodical payments had there been no election.

(4H) Where a woman member makes a notification under paragraph (4F)(b), the contributions payable by her as a lump sum or by periodical payments shall be payable at the same percentage of her pay as if she were in full-time service, but the period of the woman member's pensionable service counting as mentioned in paragraph (1) shall be given by the formula set out in paragraph (4G), save that references to contributions paid by periodical payments shall include references to contributions paid as a lump sum.”.

(5) At the beginning of paragraph (5) there are inserted the words “In a case where the material date is the date given by paragraph (3)(a) or (b)”.

(6) In paragraphs (7)(b), (10)(b) and (14) for the word “service” there are substituted the words “pensionable service”.

(7) At the beginning of paragraph (13)(a) there are inserted the words “except where the payments are made in pursuance of an election for which the material date is that given by paragraph (3)(c) or (d).”

(8) After paragraph (13) there is inserted—

“(13A) Periodical payments also cease to be payable if the Board is satisfied that their payment in accordance with the election is causing or is likely to cause financial hardship and has consented to the discontinuance of the payments for such period as it thinks fit.”.

(9) In paragraph (15) after the words “pensionable service”, in both places where they occur, there are inserted the words “reckonable by reason of service or employment”.

(10) In the Table in paragraph (18) —

- (a) after the words “pensionable service”, in the first place where they occur, there are inserted the words “reckonable by reason of service or employment”, and
- (b) after those words, in the second place where they occur, there are inserted the words “so reckonable”.

Ordinary and short service pensions

9. For Parts I and II of Schedule B there is substituted—

“PART I

MEMBER’S ORDINARY PENSIONS

1. Subject to paragraph 6 and Parts VII and VIII of this Schedule, the pension shall be calculated as follows.

2.—(1) This paragraph applies where all the service by virtue of which the member’s pensionable service is reckonable was full-time.

(2) The amount of the annual pension shall be half of the member’s average pensionable pay with the addition of an amount equal to two sixtieths of that pay, multiplied by the period in years by which his pensionable service exceeds 25 years.

(3) Sub-paragraph (2) is subject to paragraph 5.

3.—(1) This paragraph applies where—

- (a) some or all of the service by virtue of which the member’s pensionable service is reckonable was part-time, and
- (b) if the part-time service had been full-time service, his pensionable service would not exceed 30 years.

(2) The amount of the annual pension is given by the formula—

$$\frac{N \times R}{Q}$$

where—

N is the amount that the pension would be if all the pensionable service were full-time service,

R is the period in years of his pensionable service, and

Q is the period that would be the period in years of his pensionable service if periods of part-time service were reckonable as if they were periods of full-time service.

(3) Sub-paragraph (2) is subject to paragraph 5.

4.—(1) This paragraph applies where—

- (a) some or all of the service by virtue of which the member’s pensionable service is reckonable was part-time, and
- (b) if the part-time service had been full-time service, his pensionable service would exceed 30 years.

(2) The amount of the annual pension is given by the formula—

$$\frac{N \times R}{30}$$

where—

N is two thirds of the member’s average pensionable pay, and

R is the period in years of his pensionable service.

(3) Sub-paragraph (2) is subject to paragraph 5.

5. The amount of the pension may not exceed two thirds of the member's average pensionable pay.

6. If the amount of the pension a member would be entitled to in accordance with paragraphs 1 to 4 would be less than it would have been if the member had become entitled to receive an ordinary pension by retiring after due notice at an earlier date, then, subject to paragraph 5 and to Parts VII and VIII of this Schedule, the pension is to be a pension of that amount instead.

7. For the purposes of paragraph 6, any difference in those amounts attributable to a pension debit is disregarded.

PART II MEMBER'S SHORT SERVICE PENSION

1. Subject to Parts VII and VIII of this Schedule, the pension shall be calculated as follows.

2. In the case of a member all of whose service by virtue of which his pensionable service is reckonable was full-time, the amount of the annual pension shall be equal to the aggregate of—

- (a) an amount equal to one sixtieth of the member's average pensionable pay, multiplied by the period in years of his pensionable service up to 20 years, and
- (b) an amount equal to two sixtieths of that pay, multiplied by the period in years by which his pensionable service exceeds 20 years.

3. In the case of a member any of whose service by virtue of which his pensionable service is reckonable was part-time, the amount of the annual pension is given by the formula—

$$\frac{N \times R}{Q}$$

where—

N is the amount that the annual pension would be if all the pensionable service were full-time service,

R is the period in years of his pensionable service, and

Q is the period that would be the period in years of his pensionable service if periods of part-time service were reckonable as if they were periods of full-time service.”.

Ill-health pensions

10.—(1) Part III of Schedule B (member's ill-health pension) is amended as follows.

(2) In paragraph 1 for the words “shall be determined” onwards there are substituted the words—
“shall be determined—

- (a) in the case of a member all of whose service by virtue of which his pensionable service is reckonable was full-time, in accordance with paragraph 2, 3, or 4, as the case may require, and
- (b) in the case of a member some or all of whose service by virtue of which his pensionable service is reckonable was part-time—
 - (i) in a case where, if the part-time service had been full-time service, his pensionable service would not exceed 30 years, in accordance with the formula given in paragraph 4A, and
 - (ii) in a case where, if the part-time service had been full-time service, his pensionable service would exceed 30 years, in accordance with the formula given in paragraph 4B,

but in either case subject to paragraphs 6 and 7.”.

(3) After paragraph 4 there is inserted—

“4A. The formula referred to in paragraph 1(b)(i) is—

$$\frac{N \times R}{Q}$$

where—

N is the amount that the annual pension would be in accordance with this Part if all the member’s service by virtue of which his pensionable service is reckonable were full-time service,

R is the period in years of his pensionable service, and

Q is the period that would be the period in years of his pensionable service if periods of part-time service were reckonable as if they were periods of full-time service.

4B. The formula referred to in paragraph 1(b)(ii) is—

$$\frac{N \times R}{30}$$

where—

N is two thirds of the member’s average pensionable pay, and

R is the period in years of his pensionable service.”.

(4) The provisions of paragraph 5 are to become sub-paragraph (1) of that paragraph and after the words “paragraph 3 or 4” there are inserted the words “or the formula in paragraph 4A or 4B”.

(5) After that sub-paragraph there is inserted—

“(2) For the purposes of sub-paragraph (1) the amount of the pension to which the member would have become entitled is given by the formula—

$$\frac{RP \times R}{Q}$$

where—

RP is the amount of the pension to which the member would have become entitled if he had continued to serve until he could be required to retire on account of age and all his service were full-time service, and R and Q are the same as in paragraph 4A.”.

(6) After paragraph 5 there is inserted—

“6. If in a case where any of the member’s service by virtue of which his pensionable service is reckonable was part-time service, the amount of the pension calculated in accordance with paragraphs 1 to 5 would be less than it would have been if the person had become entitled to receive the pension at an earlier date, then, subject to Parts VII and VIII, the pension shall be of that amount instead.

7. In a case where—

(a) any of a member or former member’s service by virtue of which his pensionable service is reckonable was part-time service before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation, and

(b) the amount of his pension calculated in accordance with this Part would be less than it would have been if those Regulations had not been made.

then the pension shall be of that amount instead.”.

Injury awards

11.—(1) Part V of Schedule B (member’s injury award) is amended as follows.

(2) In paragraph 1 for the words from “and shall be” onwards there are substituted the words—

“and shall be—

- (a) in the case of a member all of whose service by virtue of which his pensionable service is reckonable was full-time, the amount specified as appropriate to his degree of disablement in column (2) of the Table in paragraph 2, and
- (b) in the case of a member any of whose service by virtue of which his pensionable service is reckonable was part-time, the amount given by the formula—

$$\frac{G \times R}{Q}$$

where—

G is the amount that the gratuity would be if all the service were full-time service,

R is the period in years of his pensionable service, and

Q is the period that would be the period in years of his pensionable service if periods of part-time service were reckonable as if they were periods of full-time service.”.

(3) After paragraph 1 there is inserted—

“**1A.** If in a case where any of the member’s service by virtue of which his pensionable service is reckonable was part-time service, the amount of the gratuity calculated in accordance with paragraph 1 would be less than it would have been if the person had become entitled to receive the gratuity at an earlier date, then that amount shall be substituted for it.”.

(4) In paragraph 2 for the words from “shall be of the amount” to the end of that paragraph there are substituted the words—

“shall be—

- (a) in the case of a member all of whose service by virtue of which his pensionable service is reckonable was full-time, of the amount of his minimum income guarantee specified as appropriate to his degree of disablement in column (3), (4), (5) or (6) of the following Table, and
- (b) in the case of a member any of whose service by virtue of which his pensionable service is reckonable was part-time, of the amount given by the formula—

$$\frac{M \times R}{Q}$$

where—

M is the amount that his minimum income guarantee would be if all the service were full-time service and R and Q are the same as in paragraph 1;”.

(5) After paragraph 2 there is inserted—

“**2A.** If in a case where any of the member’s service by virtue of which his pensionable service is reckonable was part-time service, the amount of the pension calculated in accordance with paragraph 2 would be less than it would have been if the person had become entitled to receive the pension at an earlier date, then that amount shall be substituted for it.

2B. In paragraphs 1A, 2 and 2A, references to a person’s pensionable service shall in the case of a member who has made an election under regulation G4(1) be construed as references to the pensionable service which would have been reckonable by him if he had not made such an election.”.

(6) In paragraph 3(1) at the end insert “calculated by reference to this Schedule”.

(7) After paragraph 6 there is inserted—

“7. In a case where—

- (a) a former member was in part-time service before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation, and
- (b) the amount of his award calculated in accordance with this Part would be less than it would have been if those Regulations had not been made,

then the award shall be of that amount instead.”.

Deferred pensions

12.—(1) In Part VI of Schedule B for paragraph 1A there is substituted—

“1A. For the purposes of paragraph 1(b), it is to be assumed that the member had been in and would have continued in full-time service, whether or not he was in such service immediately before he became entitled to a deferred pension.”.

(2) Paragraph 7 of Part I of Schedule J (part-time service) is omitted.

Entitlements by reference to pensionable service

13.—(1) Paragraph 6 of Part IV of Schedule J (part-time service) is amended as follows.

(2) After sub-paragraph (1) there is inserted—

“(1A) In determining the number of years of pensionable service that the member is “entitled to reckon” or to have “completed” for the purposes of the provisions specified in sub-paragraph (1C) (which relate to the service required for entitlements to arise), a period of service by virtue of which his pensionable service is reckonable is reckonable as if it were a period of full-time service.

(1B) But sub-paragraph (1A) does not apply so as to affect any other references to pensionable service in those provisions.

(1C) The provisions referred to in sub-paragraph (1A) are—

- (a) regulation B1(1), (4) and (5) (entitlement to member’s ordinary pension),
- (b) regulation B2(1) and (3) (member’s short service award),
- (c) regulation B3(3)(a) (member’s ill-health award),
- (d) regulation B5(1) (member’s deferred pension),
- (e) regulation B7(4)(b) (maximum on commutation),
- (f) regulation B9(2), (4)(a)(iii) and (9) (allocation),
- (g) regulation C1(1) (widow’s ordinary pension),
- (h) regulation D1(c) (child’s ordinary allowance),
- (i) regulation I2(1) (awards on death of servicemen),
- (j) regulation K1(1)(b) (cancellation of ill-health and injury pensions),
- (k) regulation K3(a) (reduction of pension in case of default),
- (l) paragraphs 1 and 2 (excluding paragraph 2(a)) of Part IV of Schedule B (member’s short service or ill-health gratuity),
- (m) paragraph 3(2) of Part III of Schedule C (widow’s accrued pension),
- (n) paragraph 3(1)(c) of Part I of Schedule D (child’s ordinary allowance).”.

(3) The words “Subject to sub-paragraph (1A),” are inserted at the beginning of sub-paragraph (2).

(4) After sub-paragraph (2) there is inserted—

“(2A) Without prejudice to the proviso to regulation F6(3) and Section 2 of Part III of Schedule F, for the purposes of Schedule B—

- (a) references to service by virtue of which the member’s pensionable service is reckonable that is full-time include references to service credited—
 - (i) by virtue of regulation F5 in cases where payments are made under Part I of Schedule F, or
 - (ii) by virtue of regulation F6 (previous service reckonable under current interchange arrangements),

and accordingly no period of such credited service is to be multiplied by the appropriate factor, and

- (b) where calculations are made by reference to the period that would be the period in years of a person’s pensionable service if periods of part-time service were reckonable as if they

were periods of full-time service, such credited pensionable service counts as if it were attributable to service that was full-time.”.

Surviving spouses’ and children’s awards and awards on death

14.—(1) Paragraph 4 of Part VI of Schedule J (part-time service) is amended as follows.

(2) After sub-paragraph (2) there is inserted—

“(3) Sub-paragraph (2) does not apply for the purposes of the provisions specified in sub-paragraph (4), and for the purposes of those provisions the average pensionable pay of such a member is given by the formula—

$$\frac{P \times R}{Q}$$

where—

P is the amount that the average pensionable pay would be if sub-paragraph (2) applied,

R is the period in years of his pensionable service, and

Q is the period that would be the period in years of his pensionable service if periods of part-time service were reckonable as periods of full-time service.

This is subject to sub-paragraph (5).

(4) The provisions referred to in sub-paragraph (3) are—

- (a) regulation C2(2)(b) (amount of widow’s special award),
- (b) regulation C3(2)(a) (amount of widow’s augmented award),
- (c) regulation C6(3) (amount of widow’s requisite benefit and temporary pension),
- (d) regulation C7(2)(b) (widow’s award where no other award payable),
- (e) paragraph 1(1)(b) of Part I of Schedule C (widow’s ordinary pension),
- (f) paragraph 1 of Part II of Schedule C (widow’s special pension),
- (g) paragraph 2(a)(ii) of Part IV of Schedule C (widow’s pension in case of post-retirement marriage),
- (h) paragraph 1 of Part V of Schedule C (widow’s requisite benefit pension),
- (i) paragraphs 1 and 2 of Part II of Schedule D (child’s special allowance), and
- (j) paragraphs 1, 2 and 4 and Part I of Schedule E (dependent relative’s special pension).

(5) If in a case where any of a member’s service by virtue of which his pensionable service is reckonable was part-time service, an award calculated in accordance with sub-paragraphs (3) and (4) would be less than it would have been if he had become entitled to it at an earlier date, then that greater amount shall be substituted for it.

(6) If in a case where—

- (a) any of a former member’s service by virtue of which his pensionable service is reckonable was part-time service, and
- (b) that member has ceased to serve by the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 came into operation,

an award calculated in accordance with sub-paragraphs (3) and (4) would be less than it would have been if those Regulations had not been made, then that greater amount shall be substituted for it.

(7) If in a case where any of a member’s service by virtue of which his pensionable service is reckonable is part-time before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 came into operation, an award calculated in accordance with sub-paragraphs (3) and (4)(c) to (e), (g) or (h) would be less than it would have been if those Regulations had not been made, that greater amount shall be substituted for it.

(8) For the purposes of an award calculated in accordance with sub-paragraphs (3) and (4)(a), (b), (f), (i) or (j), references in sub-paragraphs (3), (5), (6) and (7) to a person’s pensionable service shall in the case of a member who has made an election under regulation G4(1) include references to the pensionable service which would have been reckonable by him if he had not made such an election.”.

AMENDMENTS OF THE ROYAL ULSTER CONSTABULARY (PURCHASE OF
INCREASED BENEFITS) REGULATIONS 1988

15. In regulation 7—

- (a) for the words “regulations 4(3) and 5(3),” there are substituted the words “regulations 4(3), 5(3) and 7A”,
- (b) after the words “in accordance with such an election” there are inserted the words “or the payment of a lump sum under regulation 5(5)”, and
- (c) at the end there are inserted the words “or, as the case may be, the making of a reduced lump sum payment or no such payment”.

16. After regulation 7 there is inserted—

“Variation of elections

7A.—(1) Where a person has made an election under regulation 3 to pay additional contributions by periodical payments before the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation and is in part-time service on that date, the payments payable by him shall, subject to paragraph (2), increase from that date to such amount as is appropriate as a result of paragraph 2(3) of the Schedule.

(2) Such a person may vary the election by notice in writing to the Board given within the period of 3 months beginning with that date, and that variation shall take effect as from that date.

(3) Where—

- (a) a person has made an election under regulation 3 to make payment by periodical contributions whilst in full-time service, and
- (b) his service becomes part-time after the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation,

the contributions payable for the number of additional sixtieths to which the election relates shall, subject to paragraph (4), be such amount as is appropriate as a result of paragraph 2(3) of the Schedule.

(4) Such a person may vary the election by notice in writing to the Board given within the period of 3 months beginning with the date on which the service becomes part-time, and that variation shall take effect as from that date.

(5) Where a person makes such an election on or after the date on which the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation and he is in part-time service on that date, he shall notify the Board in writing that either—

- (a) the payments payable by him are to be payable at the same percentage of his pay as if he were in full-time service; or
- (b) those payments are to be payable in accordance with paragraph (7).

(6) Where a person varies his election under this regulation, the contributions payable by him by periodical payments shall, from the date that the Police Service of Northern Ireland Pensions (Amendment) Regulations 2006 come into operation, continue to be payable as they were before the variation, but the benefits which he is entitled to reckon shall be given by the formula—

$$\frac{P \times V}{F}$$

where—

P is the benefits he would be entitled to reckon if periods of part-time service were reckonable as if they were periods of full-time service,

V is the amount of contributions paid by periodical payments, and

F is the amount of contributions that would have been paid by periodical payment had there been no election.

(7) Where a person makes a notification under paragraph (5)(b), the payments payable by him as a lump sum or by periodical payments shall be payable at the same percentage of his pay as if he were in full-time service, but the benefits which he is entitled to reckon shall be given by the formula set out in paragraph (6), save that references to contributions paid by periodical payments shall include references to contributions paid as a lump sum.”.

17. In regulation 8(1)(a) after the word “or” there are inserted the words “failed to pay the whole or part of a lump sum payment on those grounds under that regulation, or”.

18. In paragraph 1(2) of the Schedule (lump sum payments) after the definition of “his age” there is inserted—

““pensionable pay” in relation to any person who is not in full-time service throughout the appropriate period, means the amount that would be his pensionable pay if he were a full-time member, and.

19. In paragraph 2 of the Schedule (payment of periodical contributions), after sub-paragraph (2) there is inserted—

“(3) In this paragraph “pensionable pay” in relation to a person’s period of service which is not wholly full-time service, means the amount that would be the person’s pensionable pay if he were a full-time member.”.

20. After paragraph 3 of the Schedule there is inserted—

“Inland Revenue limits on contributions

4.—(1) The amounts of the payments to be made in accordance with paragraphs 2 and 3(1)(b) of this Schedule in any tax year must not, when aggregated with any other contributions payable by the member under the principal regulations or the Royal Ulster Constabulary Pensions (Additional Voluntary Contributions) Regulations 1993(a), exceed the amount in respect of which the member is allowed a deduction for that year under section 594(1) of the Income and Corporation Taxes Act 1988(b) (tax relief for contributions to exempt statutory schemes).

(2) The amounts of the payments to be made in accordance with paragraphs 1, 2 and 3 in any calendar month must not, when so aggregated, exceed one twelfth of the amount in respect of which the member is allowed a deduction for the tax year in which the month falls under section 594(1) of the Income and Corporation Taxes Act 1988 (by virtue of which contributions payable by a Class A member in a tax year must not exceed the permitted maximum for the year).

(3) Where a lump sum payment is reduced by virtue of this paragraph the member’s number of additional sixtieths is reduced in accordance with the following formula—

$$\frac{A \times B}{C}$$

where—

A is the member’s number of additional sixtieths,

B is the amount of the reduced payment, and

C is the amount that the payment would be if the reduction under this paragraph were not made.

(4) For each periodical contribution payment that is reduced by virtue of this paragraph the member’s number of additional sixtieths is reduced in accordance with the following formula—

$$\frac{A \times B \times C}{D \times E}$$

(a) S.R. 1993 No. 249
(b) 1988 c.1

where—

A is the member's number of additional sixtieths,

B is the period to which the periodical contribution relates (expressed as a fraction of a year),

C is the amount of the reduced periodical contribution,

D is the period over which the periodical contributions are payable (expressed as a fraction of a year), and

E is the amount that the periodical contribution would be if the reduction under this paragraph were not made.

(5) In this paragraph "tax year" means a year of assessment."

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Royal Ulster Constabulary Pensions Regulations 1988 and the Royal Ulster Constabulary Pensions (Purchase of Increased Benefits) Regulations 1988. The amendments include provision for part-time members' pension benefits to be calculated as if they had been full-time members, and then pro-rated for periods of part-time service. This replaces the previous basis of calculation under which part-time working counted as pensionable service on the basis of the actual hours served. This disadvantaged part-time members because the reckonable service is accrued at a faster rate after 20 reckonable years.

Regulation 1 provides that the amendments in relation to ordinary and short service pensions, ill-health pensions, injury awards, deferred pensions and dependants' pensions are backdated to 1st July 1992, the date on which part-time service was introduced. Retrospective effect is permitted by Articles 14 and 15 of the Superannuation (Northern Ireland) Order 1972.

Regulation 2 and Schedule 1 make extensive amendments to the Royal Ulster Constabulary Pensions Regulations 1988. Paragraph 1 amends regulation A8 so as to enable pensionable service to be apportioned for the purposes of regulation G6. Paragraph 2 amends regulation B1(3) so as to entitle senior officers who retire at the end of fixed term appointments to qualify for a pension and to so qualify without the terms having been extended or an extension having been refused.

Paragraph 3 extensively amends regulation G6 so as to enable payments to be made by women members to enhance widowers' awards in cases where members with service before 17th May 1990 were not able to elect to make such payments under the regulation because they were not paying contributions throughout the period of 3 months beginning on 1st February 1996 and did not resume paying them within two years of ceasing to do so. Following the amendment such elections may be made within the period of 3 months beginning with the date on which these Regulations come into operation if the woman's contributions became payable again on or before that date, or, if they became payable again on a later date, within the period of 3 months of that date.

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

Regulation 3 and Schedule 2 provide that payments by part-time members who purchase increased benefits (either through a lump sum or periodical payments) will be up-rated, unless they elect otherwise. Previously part-time members effectively paid lower contributions than full-time members for an entitlement to the same level of benefit.

Regulation 4 provides for interest to be payable on entitlements which arise under the back-dating provisions of these Regulations.

Regulation 5 imposes a limit on the time within which a person entitled to a sum under the back-dating provisions of these Regulations may commute that for a lump sum payment.

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