

Pension timeline

2011

March 2011 – The final report of the <u>Independent Public Service Pensions Commission</u>, led by Lord Hutton is published. In his report, Lord Hutton spoke of a need for comprehensive reform in order "for public service employees to continue to have access for the foreseeable future, to good quality, sustainable and fairer defined benefit pension schemes".

At Budget 2011 the Government "accepts Lord Hutton's recommendations as a basis for consultation with public sector workers."

May 2011 – Home Secretary Theresa May <u>announces at the Police Federation of England & Wales (PFEW) annual conference</u> that she has asked Thomas Winsor to consider police pensions in the second part of his ongoing <u>Review of Police Officer and Staff Remuneration and Conditions</u>.

December 2011 - Danny Alexander, the chief secretary to the Treasury as part of the coalition government, <u>lays out plans to change public service pensions</u>, with the aim of saving money for the taxpayer. An increased cost to public service pensions of £32bn a year was behind the proposals, and they led the way to the introduction of the 2015 CARE Scheme.

2012

March 2012 – The <u>second part of Thomas Winsor's review</u> is published, and includes a section on pensions, including backing Lord Hutton's call for a "normal pension age" of 60.

Home Secretary Theresa May writes to the Police Negotiating Board (PNB) chair with her proposals for the 2015 CARE Scheme. The PFEW was a constituent part of the staff side of the PNB, which chose to engage in the consultation in order to improve the proposed terms rather than fight against the introduction of the scheme, as the Home Secretary had the power to implement the original terms of the proposal regardless. The PNB was dissolved in October 2014, and police pensions now fall under the remit of the Police Advisory Board for England and Wales (PABEW), of which the PFEW is a constituent part.

June 2012 – The then PFEW General Secretary Ian Rennie – in his capacity as Staff Side Secretary – responds to the Home Secretary, with key concerns including: the importance of pensions in terms of recruitment and retention as well as motivation and morale; the unique nature of being a police officer; and the unusual features of the police pension arrangements which reflect the unique nature of policing. Mr Rennie suggests in his letter that the new scheme should only apply to new recruits and highlights concerns around the transitional arrangements, the "significantly too high" proposed level of member contributions, the proposed accrual rate and the proposed normal and deferred pension ages.

The PFEW seeks legal advice on the proposal for the new scheme, including on the legality of the introduction of the scheme bearing in mind the "no worsening" protection contained within the Police Pensions Act 1976 which says that any pension regulations made under that Act could not worsen the position for serving members in relation to compulsory retirement age or scale of pensions unless members agreed. This advice said there was no legal basis to challenge the introduction of the scheme and that the effect of the relevant section of the Police Pensions Act 1976 could be negated by means of primary legislation.

September 2012 – Home Secretary announces the <u>Reform Design Framework</u> for the 2015 CARE Scheme, laying out the key details of the scheme, including improved transitional arrangements and access to the pension from age 55 (subject to it being reduced for early payment before age 60).

The PFEW issues FAQs on the key details of the new scheme.

November 2012 – The PFEW issues FAQs around miss-selling of pensions and similar claims.

2013

April 2013 – The Public Service Pensions Act 2013 is enacted. Section 18 of this Act prevents further pension being earned in the Police Pension Scheme 1987 or the New Police Pension Scheme 2006 from 1 April 2015, other than in accordance with transitional arrangements. This Act also bypasses the 'no worsening' provisions of the Police Pensions Act 1976 by enabling the 2015 CARE scheme to be created under new primary legislation, which the Government was entitled to do. The Government was committed to implementing the changes across the public service.

September 2013 – The PFEW continues to receive legal advice around the possibilities of challenging the proposals.

November 2013 – <u>Home Office Circular 14/2013</u> is issued containing further details about the new scheme and the transitional arrangements. The PFEW issues FAQs to assist with members' understanding the Home Office Circular.

2014-2015

October 2014-February 2015 – The draft Police Pensions Regulations 2015 are issued for consultation with the PABEW and the PFEW continues to seek legal advice ahead of their implementation.

March 2015 – <u>The Police Pensions Regulations 2015</u> were laid before Parliament, only 27 days before they were implemented.

The PFEW issues FAQs on the new scheme and its implementation.



April 2015 – Officers without transitional protections are officially moved over to the 2015 <u>CARE Scheme</u>. Officers with tapered protection are moved over as and when their tapered protection ends. The PFEW continued to receive legal advice around the introduction of the scheme and any possible challenges.

August 2015 - FAQs issued by the PFEW on the 2015 CARE Scheme legal position.

October 2015 – The PFEW produces <u>a video FAQ</u> where General Secretary Andy Fittes answers a range of questions on the 2015 CARE Scheme.

A group of officers instruct lawyers Leigh Day and form the Pensions Challenge group. The grounds for their challenge to the transitional protections goes against the legal advice the PFEW has received. A response is issued explaining why the PFEW is not backing this challenge.

2016 - 2017

August 2016 – The PFEW issues FAQs on the purchase of additional benefits.

January 2017 – An employment tribunal brought by judges ruled that the Government's transitional pension arrangements for judges amount to unlawful age, sex and race discrimination because they could not be regarded as being a proportionate means of achieving a legitimate aim. The PFEW issued a response to this, detailing the possible implications for police pensions, and the differences between the judges' and police schemes.

February 2017 – The Fire Brigades Union's (FBU) <u>employment tribunal ruling</u> is handed down and the ruling is in favour of the Government, stating that the discrimination inherent in the transitional arrangements used in this scheme was justifiable on the grounds that they were a proportionate means of achieving a legitimate aim. The FBU announce later they will appeal the ruling.

March 2017 – The Ministry of Justice announces its intention to appeal against the ruling in the judges' employment tribunal.

The PFEW issues further FAQs relating to police pensions.