

2003 No. 60

POLICE

**Police Service of Northern Ireland and Police Service of
Northern Ireland Reserve (Full-Time) (Severance)
Regulations 2003**

Made - - - - - *11th January 2003*

Coming into operation *31st March 2003*

To be laid before Parliament *10th March 2003*

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The Secretary of State, in pursuance of sections 25(2)(k) and section 26 of the Police (Northern Ireland) Act 1998(a) as modified by section 49 of the Police (Northern Ireland) Act 2000(b), read with Articles 14 and 15 of the Superannuation Order (Northern Ireland) Order 1972(c), and after consulting with the Treasury in concurrence with section 72(2A) of the Police (Northern Ireland) Act 1998 hereby makes the following regulations:

PART I GENERAL

Citation and operation

1. These regulations may be cited as the Police Service of Northern Ireland and the Police Service of Northern Ireland Reserve (Full-Time) (Severance) Regulations 2003 and shall come into operation on 10th March 2003 but shall have effect from 1st January 2001.

Interpretation

2. In these regulations the following expressions have the meanings hereby assigned to them: –

“annual pensionable pay” means the pensionable pay of the member at the annual rate to which he is entitled on his date of leaving the Force;

“appropriate factor” has the meaning assigned to it in Schedule 1 paragraph 1 of the Royal Ulster Constabulary Regulations 1996(d);

“Chief Constable” means the Chief Constable of the Police Service of Northern Ireland;

“Compulsory retirement age” means the age at which the member would be required to leave the Force by reason of age as defined by Regulation A16 of the Royal Ulster Constabulary Pensions Regulations 1988 or expiry of a Fixed Term Agreement.

“date of leaving” means the actual date the member leaves the Force under the terms of the scheme;

“Fixed Term Agreement” means the appointment of members for a fixed period that is determined at the commencement of the appointment;

“immediate pension” means entitlement to pension on the member’s date of leaving the Force;

“the Force” means the Police Service of Northern Ireland (including Auxiliary Constables) or the Police Service of Northern Ireland Reserve (Full-Time), or both, as the case may be;

“member” means a member of the Police Service of Northern Ireland or the Police Service of Northern Ireland Reserve (Full-Time);

(a) 1998 Ch 32
(b) 2000 Ch 32
(c) S.I. 1972/1073 (N.I. 10)
(d) 1996 No. 473

“the Pensions Regulations” means the Royal Ulster Constabulary Pensions Regulations 1988(a) and the Royal Ulster Constabulary Reserve (Full-Time) Pensions Regulations 1994(b);

“part-time member” means a member who is serving under the terms and conditions set out in Schedule 1 of the Royal Ulster Constabulary Regulations 1996(c) or Schedule 12 of the Royal Ulster Constabulary Reserve (Full-Time) (Appointment and Conditions of Service) Regulations 1996(d);

“payment in lieu of pension” means a discretionary award to an eligible member (as defined under Regulation 5) until the member is entitled to a pension under the Pensions Regulations.

“pension age” means the age at which a member would be entitled to receive immediate payment of pension entitlements under the Pension Regulations;

“pensionable service enhancement” means the period of time by which the actual pensionable service at any time is increased under these regulations;

“period of extension” means the time remaining until the expiry of a member’s approved period of extended service;

“Police Association” has the meaning assigned thereto by Regulation 3(1) of the Police Association for Northern Ireland Regulations 1991(e);

“standing allowances” means compensatory grants and replacement allowances as defined in Regulation 60A of and Schedule 13 to the Royal Ulster Constabulary Regulations 1996(f), and the Police Service of Northern Ireland Allowance and the Inspector’s Allowance;

“the scheme” means the voluntary early retirement/severance scheme for members to which these regulations give effect;

“time period” means the lump sum factor specified in the tables in Part II of the Schedule expressed in years and fractions of years measured from the date of payment of benefits under Regulation 7(a);

“unexpired amount of the lump sum” means the time period covered by the benefits paid under Regulation 7(a) that has not elapsed at the time the calculation under Regulation 11(2) is made.

Length and review of the scheme

3. The provisions of the scheme will operate until the year 2010 or for a period as determined by the Secretary of State. The Secretary of State shall not make such a determination without:

- (a) the consent of the Treasury; and
- (b) consultation with the Chief Constable and the Northern Ireland Policing Board; and
- (c) consultation with the Police Association.

Application

4. The Pensions Regulations shall apply subject to the modifications in regulations 7 to 13.

(a) 1988 No. 374
(b) 1994 No. 197
(c) 1996 No. 473
(d) 1996 No. 564
(e) 1991 No. 168
(f) 1996 No. 473, as amended by 1997 No. 362, 1999 No. 412 and 2002 No. 95

PART II

ELIGIBILITY

Eligibility criteria

5.—(1) Only members who first joined the Force prior to 1st July 1995 are eligible to apply to join the scheme.

(2) Eligibility is subject to the discretion of the Chief Constable.

6. Eligibility for pensionable service enhancements will be limited to applicants contributing under regulation G2 of the Pensions Regulations immediately before 1st January 2001 until the date of leaving. This includes those contributing applicants who are on authorised unpaid leave.

PART III

ENTITLEMENTS

Benefits payable

7. Subject to the provisions of these regulations, the Schedule shall have effect for determining the following discretionary benefits for members who leave under the terms of the scheme:

- (a) severance lump sums;
- (b) pensionable service enhancements;
- (c) payment in lieu of pension.

Re-employment in the Police Service of Northern Ireland

8.—(1) A member who leaves the Force under these regulations and within 5 years of the date of leaving rejoins the Police Service of Northern Ireland as a police officer shall be required to repay any severance lump sum payments received under these regulations.

- (2) This regulation will not apply to a member who –
- (a) rejoins the Police Service of Northern Ireland as a civilian;
 - (b) joins a police force in Great Britain.

(3) In the case of a member who rejoins the Police Service of Northern Ireland, the Pension Regulations shall apply, including any rules on abatement of pensions for re-employed officers.

Capping Mechanism

9.—(1) This regulation shall apply to any member who receives benefits under these regulations.

(2) The formula in the Schedule Part III shall be applied to the calculation of a member's lump sum under the Schedule Part II paragraphs 1-4, to ensure that he shall not gain more in financial terms by acceptance of benefits under these regulations than he would have earned in basic pay and allowances up to compulsory retirement age or the expiry of a period of extension after that age.

Part-time members

10. A part-time member will be entitled to the benefits payable in the Schedule subject to the adjustment of his annual pensionable pay by the appropriate factor.

Injury on duty

11.—(1) Any payment of an injury pension to a member under regulation B4 of the Pensions Regulations shall be determined as follows:

- (a) the minimum income guarantee shall be calculated in accordance with Schedule B, Part V, paragraph 2, without taking into account any enhancement of pensionable service under Regulation 7(b) of these regulations; and
- (b) the amount of an injury pension under Schedule B, Part V, paragraph 3, shall take account of any enhanced pension awarded under Regulation 7(b) and the Schedule to these Regulations.

(2) If a member receives a severance payment under regulation 7 and later applies for an injury on duty payment gratuity under regulation B4 of the Pensions Regulations, then any sum payable under B4, subject to (a) above, shall be reduced. The amount of the reduction from the award made under regulation B4 of the Pensions Regulations will be calculated by deducting a sum equivalent to six months of the individual's severance payment from the amount represented by the unexpired amount of the lump sum.

(3) Without prejudice to (1) and (2) if the unexpired amount of his lump sum is 1 year or less then the member may elect to: –

- (a) repay the “unexpired amount”; or
- (b) have it converted into an annuity and deducted from the member's minimum income guarantee as defined in the Pensions Regulations.

(4) In the event of a member electing under 11(3) the annuity conversion shall be calculated as advised from time to time by the Government Actuary.

Ill Health

12.—(1) This regulation applies when a member is eligible to immediate benefits or to whom Regulation 7 of these regulations applies, and is a member who is eligible to apply for ill health benefits under B3 or B5(4) of the Pension Regulations.

(2) In the event of (1) applying to a member, that member shall not receive any further benefits above that awarded under Regulation 7(b) of these regulations to the extent that the sum of the benefits awarded under B3 or B5(4) of the Pension Regulations and Regulation 7(b) of these regulations exceeds the maximum applicable under B3 or B5(4) of the Pension Regulations.

PART IV

PENSIONS

Payment in Lieu

13.—(1) The payment in lieu will be equivalent to a short service award, as defined in regulation B2 of the Pensions Regulations, to which the member would have been entitled if he had qualified for a pension from his date of leaving. Regulation B2(1) of the Pension Regulations shall have effect as if the words ‘is or was required to retire on account of age’ were substituted by ‘retired under the terms of the Police Service of Northern Ireland and Police Service of Northern Ireland Reserve (Full-Time) Severance Regulations 2002’.

(2) A member who leaves under the scheme, who is entitled to a payment in lieu, will also be entitled to commute a proportion of his payment in lieu under regulation B7(4)(b) of the Pensions Regulations, in place of the commutation lump sum normally payable at 60 years.

(L.S.)

Paul Murphy
Secretary of State

(L.S.)

Jim Fitzpatrick
Phillip Woolas
Treasury Lord Commissioners

SCHEDULE
BENEFITS PAYABLE

Regulations 7, 9 and 10

PART I

ADDED YEARS AND PAYMENT IN LIEU

1. This paragraph shall apply in the case of a member who is not ACPO rank and is aged 45 or over on the date of leaving.

(1) (a) A member aged 50 years or over on date of leaving shall be entitled to pensionable service enhancements of up to 5 years, subject to a maximum of:

- (i) total pensionable service not exceeding 30 years;
 - (ii) that which the member would be entitled to if he had served until his compulsory retirement age,
- whichever is the lesser.

(b) Those members aged 50 years or over on date of leaving who are not entitled to immediate pension after calculation of pensionable service enhancements as outlined in paragraph 1(1)(a) shall be entitled to a payment in lieu of pension, (taking into account such pensionable service enhancements), until pension age is reached.

(2) A member who has attained the age of 45 years and is below the age of 50 years on date of leaving shall be entitled to a pensionable service enhancement, calculated on a daily basis, equal to the period of pensionable service attained from 45 years of age to date of leaving subject to total pensionable service not exceeding 30 years.

2. A member who is of ACPO rank on date of leaving shall be entitled to a pensionable service enhancement of up to 5 years equal to the period left until the expiry of his Fixed Term Agreement, subject to a maximum of 30 years pensionable service.

PART II

SEVERANCE LUMP SUMS

1.—(1) A member who is not of ACPO rank and is aged 50 years or over on date of leaving, shall be entitled to a lump sum calculated by multiplying his annual pensionable pay at the date of leaving by the appropriate lump sum factor as outlined in the following tables:

(a) Compulsory Retirement age of 55

Age	50				51				52				53				54			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	2½	2¾	2¾	2¾	2	1¾	1¾	1¾	1½	1¾	1¼	1¼	1	¾	¾	¾	½	½	½	½
Age	55 or over																			
Months	0-2	3-5	6-8	9-11																
Lump sum Factor	½*	½*	½*	½*																

(b) Compulsory Retirement age of 57

Age ("X")	50				51				52				53				54			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	$2\frac{3}{4}$	$2\frac{1}{16}$	$2\frac{0}{16}$	$2\frac{9}{16}$	$2\frac{1}{2}$	$2\frac{7}{16}$	$2\frac{6}{16}$	$2\frac{5}{16}$	$2\frac{1}{4}$	$2\frac{3}{16}$	$2\frac{2}{16}$	$2\frac{1}{16}$	2	$1\frac{7}{8}$	$1\frac{3}{4}$	$1\frac{5}{8}$	$1\frac{1}{2}$	$1\frac{3}{8}$	$1\frac{1}{4}$	$1\frac{1}{8}$
Age ("X")	55				56				57 or over											
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11								
Lump sum Factor	1	$\frac{7}{8}$	$\frac{3}{4}$	$\frac{5}{8}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$ *	$\frac{1}{2}$ *	$\frac{1}{2}$ *	$\frac{1}{2}$ *								

(c) Compulsory Retirement age of 60

Age ("X")	50				51				52				53				54			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	3	$2\frac{15}{16}$	$2\frac{14}{16}$	$2\frac{13}{16}$	$2\frac{3}{4}$	$2\frac{1}{16}$	$2\frac{0}{16}$	$2\frac{9}{16}$	$2\frac{1}{2}$	$2\frac{7}{16}$	$2\frac{6}{16}$	$2\frac{5}{16}$	$2\frac{1}{4}$	$2\frac{3}{16}$	$2\frac{2}{16}$	$2\frac{1}{16}$	2	$1\frac{15}{16}$	$1\frac{14}{16}$	$1\frac{13}{16}$
Age ("X")	55				56				57				58				59			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	$1\frac{3}{4}$	$1\frac{11}{16}$	$1\frac{10}{16}$	$1\frac{9}{16}$	$1\frac{1}{2}$	$1\frac{7}{16}$	$1\frac{6}{16}$	$1\frac{5}{16}$	$1\frac{1}{4}$	$1\frac{3}{16}$	$1\frac{2}{16}$	$1\frac{1}{16}$	1	$\frac{7}{8}$	$\frac{3}{4}$	$\frac{5}{8}$	$\frac{1}{2}$	$\frac{3}{8}$	$\frac{1}{4}$	$\frac{1}{8}$
Age ("X")	60+																			
Months	0-2	3-5	6-8	9-11																
Lump sum Factor	0	0	0	0																

(2) In the tables in sub-paragraph (1), the lump sum factors marked with an asterisk (*) are available only for the first two years after the date these Regulations came into effect.

2. A member who is not of ACPO rank, who is aged below 50 years on date of leaving and who is entitled to an immediate pension will be entitled to a lump sum calculated by multiplying his annual pensionable pay at the date of leaving by the appropriate lump sum factor as outlined in the following table:

Compulsory Retirement Age	55	57	60
Lump Sum factor	$2\frac{1}{2}$	$2\frac{3}{4}$	3

3. A member who is not of ACPO rank, who is aged below 50 years on date of leaving and who is not entitled to an immediate pension but has served at least 5 years shall be entitled to a lump sum calculated by multiplying his annual pensionable pay by the appropriate lump sum factor based on his number of years as a member:

Years of RUC Service ("X")	5				6				7				8			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	1¼	1½ ₁₆	1¾ ₁₆	1 ⁷ / ₁₆	1½	1 ⁹ / ₁₆	1 ¹⁰ / ₁₆	1 ¹¹ / ₁₆	1¾	1 ¹³ / ₁₆	1 ¹⁴ / ₁₆	1 ¹⁵ / ₁₆	2	2 ¹ / ₁₆	2 ² / ₁₆	2 ³ / ₁₆
Years	9				10				11				12+			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11				
Lump sum Factor	2¼	2 ⁵ / ₁₆	2 ⁶ / ₁₆	2 ⁷ / ₁₆	2½	2 ⁹ / ₁₆	2 ¹⁰ / ₁₆	2 ¹¹ / ₁₆	2¾	2 ¹³ / ₁₆	2 ¹⁴ / ₁₆	2 ¹⁵ / ₁₆	3			

4.—(1) A member who is of ACPO rank on date of leaving shall be entitled to a lump sum calculated by multiplying his annual pensionable pay by the appropriate lump sum factor as outlined in the following table:

Years left until expiry of FTA ("X")	7				6				5				4				3			
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11
Lump sum Factor	2¾	2 ¹¹ / ₁₆	2 ¹⁰ / ₁₆	2 ⁹ / ₁₆	2½	2 ⁷ / ₁₆	2 ⁶ / ₁₆	2 ⁵ / ₁₆	2¼	2 ³ / ₁₆	2 ² / ₁₆	2 ¹ / ₁₆	2	1 ⁷ / ₈	1 ⁶ / ₈	1 ⁵ / ₈	1½	1 ³ / ₈	1 ² / ₈	1 ¹ / ₈
Years	2				1				Officer on 1 year extension											
Months	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11	0-2	3-5	6-8	9-11								
Lump sum Factor	1	7 ⁷ / ₈	¾	5 ⁵ / ₈	½	½	½	½	½*	½*	½*	½*								

(2) In the table in sub-paragraph (1), the lump sum factor marked with an asterisk (*) is available only for the first two years of the scheme, from the date of coming into operation of these Regulations.

5. Any member of the Force leaving under the terms of the scheme shall also be entitled to an additional lump sum equivalent to one twelfth of his annual pensionable pay at the date of leaving.

PART III

Regulation 9

CAPPING MECHANISM FORMULA

1. Benefits of severance will not exceed the amount calculated as potential earnings, where this occurs the difference will be deducted from the member's severance lump sums.

2. In paragraph 1:

“benefits of severance” means the member's severance lump sum, by virtue of the Schedule Part II paragraphs 1-4, in addition to his gross pension entitlement before commutation, payable between the date of leaving and compulsory retirement age or the expiry of his existing period of extension of service;

“potential earnings” means the member's basic salary plus any standing allowances he would have earned by remaining as a member between the date of leaving until compulsory retirement age or the end of the existing extension of service.

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations give effect to the voluntary early retirement scheme for the Police Service of Northern Ireland announced in July 2000. They apply only to those who joined the RUC before 1st July 1995.

The scheme offers enhanced terms to the Royal Ulster Constabulary Pensions Regulations 1988 and the Royal Ulster Constabulary Reserve (Full-Time) Pensions Regulations 1994.

Regulation 3 provides that the scheme will operate until the year 2010 or for such period as the Secretary of State may determine with the consent of the Treasury, and after consulting with the Chief Constable, the Policing Board and the Police Association.

Regulation 4 provides that the normal pension regulations for the Police Service of Northern Ireland and the Police Service of Northern Ireland Reserve apply subject to modifications provided by these regulations.

Regulation 5 provides that only members who joined the Police Service of Northern Ireland and the Police Service of Northern Ireland Reserve before 1st July 1995 are eligible to apply to join the scheme and Regulation 7 and the Schedule set out the benefits payable.

Regulation 6 provides that the eligibility for pensionable service enhancements will be limited to those who were contributing under Regulation 62 of the Pensions Regulations and continue to contribute until the date of leaving the Police Service.

Regulation 7 and the Schedule provide for the payment of severance lump sums, pensionable service enhancements and payments in lieu of pensions.

Regulation 8 provides that where a person joins the Police Service of Northern Ireland within 5 years of leaving under these regulations, they will be required to repay any severance lump sum payments received under the scheme. However, that will not apply to a member who joins the Police Service of Northern Ireland as a civilian or who joins a police force in Great Britain.

Regulation 9 provides a capping mechanism to ensure that a member shall not gain more in financial terms by accepting the benefits under the scheme than he would have earned in basic pay and allowances up to compulsory retirement age or the expiry of a period of extension after that age.

Regulation 10 describes how the regulation will apply to Part-Time members.

Regulations 11 and 12 set out the circumstances in which injury on duty benefits or ill health pension benefits may be reduced to take account of the severance lump sum awarded under these regulations.

Regulation 13 provides for payments in lieu of pension for members who are not eligible for short service awards.

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