



## **Changes to the Police Pension Scheme** **The McCloud Remedy**

I am writing to inform you about a material change to the Police Pension Scheme Regulations which took effect from the 1<sup>st</sup> October 2023.

The intention of this letter is to notify you of the changes to the Police Pension Scheme and explain what this means for affected members.

### **What is McCloud Remedy?**

When the Government reformed Public Service Pension schemes in 2015, transitional protections were introduced for older members. In December 2018, the Court of Appeal ruled that younger members of the Police Pension Scheme to be unlawfully discriminated against because the protections did not apply to them.

The McCloud Remedy is intended to remove the age discrimination found in the McCloud court case and confirms that eligible members will be returned to their final salary scheme (Legacy Scheme) for the remedial period of 01/04/2015 to 31/03/2022, or Date of Retirement/Leaving if earlier.

### **Who is Eligible for Remedy?**

To be eligible for remedy you must meet the following four conditions:

1. You were in pensionable service on or before 31 March 2012.
2. You were eligible or are retrospectively eligible for pensionable service during the remedy period. (01/04/2015 – 31/03/2022)
3. It must be service that would have been pensionable in the relevant legacy scheme, had the discrimination not occurred.
4. You must not have a disqualifying gap (of more than five years).

**Eligible retired members are members who have retired with benefits in the remedy period. Eligible members will receive a choice of either legacy or reform benefits for their service between 1st April 2015 and 31st March 2022.**

You will be receiving a Remedial Service Statement (RSS) from your Pension Administrators by the 31/03/2025. This statement will provide you with the benefit accrued during the remedy period in both the Legacy Scheme (1987/2006 scheme) and the Reformed Scheme (2015 scheme).

The RSS will also provide you with a contribution adjustment, this being the contribution you owe to the scheme, or the contribution owed to you, depending on your choice.

### **What is a Contribution Adjustment?**

When a member is rolled back to their legacy scheme for membership built during the remedy period, this will trigger a contribution adjustment due to the differing contribution rates across the Police Pension Schemes.

You will have 12 months from the date of the RSS to make your choice of remedy benefits. Any contributions adjustment due will be deducted from your pension benefits.

Your contribution adjustment will have been automatically adjusted to apply tax relief, this will be calculated based on your taxable earnings during the remedy period.

The government have determined that where a person is required to pay an amount to the scheme, interest must be applied as compound interest.

Interest will apply at the NS&I Direct Saver rate from when the contributions were first due until such time as the contribution adjustment is paid.

### **We are Here to Help**

There are several resources to help you navigate your statement and understand your options on the NPCC website: [Police Pension Information](#)

An NPCC "Eligible Retired Members" leaflet has also been attached to this letter, which I hope you find useful.

If you have any queries regarding your RSS or Contribution Adjustment, you can contact the All Wales Pension Hub by emailing [PensionsEnquiries@dyfed-powys.police.uk](mailto:PensionsEnquiries@dyfed-powys.police.uk)

**This letter is for information only, you do not need to take any action at this time.**