



The Professional Trades Union for Prison, Correctional & Secure Psychiatric Workers

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Action	Information
England/Wales	England/Wales
Scotland	Scotland
Northern Ireland	Northern Ireland
Special Hospitals	Special Hospitals
Private Sector	Private Sector
IRC	IRC

Dear Colleagues

PENSIONS AND CIVIL SERVICE COMPENSATION SCHEME UPDATE

At the National Executive Committee Meeting on the 23rd of August 2017, it was agreed to provide an update to the membership on the latest discussions and developments in respect of Pensions and Civil Service Compensation Scheme.

CAP ON EXIT CHARGES ON PENSIONS

I have been contacted by members asking if the proposal by the Financial Conduct Authority (FCA) for existing personal and stakeholder pensions, including group personal pensions and self-invested personal pensions (Sipps), exit charges to be capped at 1% of the value of a member's pot, will affect POA members. The answer is no it will not affect you if you are in classic, classic plus, NUVOS or Alpha as these are defined benefits schemes and the FCA ruling is for the schemes outlined above. Therefore, the current reduction of 5% per year for the first five years and 3% for every year you take your pension early still stands. If you are a member of the partnership pension scheme then this will affect you.

ILL-HEALTH APPLICATIONS AND RETIREMENTS (PSI 10/2014)

This is still on going and we have a meeting with HMPPS on the dispute lodged by the NEC and will update the membership after the meeting.

DEATH NOMINEE

I want to take this opportunity to again remind all members of the importance of nominating a beneficiary/s with the employer and POA to avoid further distress in the event of a death.

I am aware that some members who were transferred into the Alpha scheme have no longer got a nominated beneficiary. I would advise all members to contact MyCSP to rectify this as a matter of urgency.

LEGAL CHALLENGES

As you are aware this has been a matter of frustration for both the NEC and members since the changes were forced upon us by Government. However, I would like to reassure the membership that we have been keeping a close eye on the various challenges by other unions along with contact with their various legal teams. The NEC have a meeting with barristers on Tuesday 29th August 2017 and we will update the membership following the meeting

MEDICAL INEFFICIENCY COMPENSATION PAYMENTS

Following the successful challenge by the PCS and POA the formula for calculating compensation has been reversed to the provisions of the old PIN 40. Cabinet Office have informed the POA as follows:

EFFICIENCY DISMISSALS

For efficiency departures, the situation is slightly different again and there are essentially four categories:

Category E1: Staff who have been dismissed and paid under 2016 terms

Category E2: Staff who have been dismissed and have left employment but have not yet been paid

Category E3: Staff who have been dismissed but are still under notice and haven't yet been paid

Category E4: Staff who are going through the efficiency dismissal process but no decision has yet been reached.

In headline terms, the position is that:

FOR EXITS THAT HAVE ALREADY TAKEN PLACE, efficiency dismissal payments made under 2016 terms will need to be recalculated on pre-2016 terms (but this remains on the basis of the revised guidance in EPN 471).

FOR CURRENT DISMISSAL CASES, employers do not need to revisit their original decision on whether or not to award compensation nor what the percentage award should be. However, the efficiency compensation sum will need to be re-calculated on the basis of the efficiency dismissal terms that were in place before November 2016.

PRIORITISATION

Cabinet Office have instructed MyCSP to stop issuing any new quotes or offers on 2016 terms. They have been working closely with MyCSP to ensure they are able to proceed on calculating exit payments under 2010 terms, to issues re-quotes where required and to deal with repayments for those staff who have exited. MyCSP will also look to provide 2010 calculators to departments as soon as possible.

Cabinet Office expect MyCSP to be able to start issuing quotes and offers on 2010 terms shortly, but there will inevitably be a backlog of requests which may impact on providing updated quotes or issuing new 2010 quotes. Therefore, Cabinet Office have instructed MyCSP to prioritise those departments with imminent exits (i.e. by end of September) in the next couple of months. This will inevitably mean that re-quotes for schemes without an imminent exit date may take some time to re-process and any additional payments for staff who have already left will be processed last and dealt with over the course of the next 4 months.

Cabinet Office have asked employers with 'live schemes' to contact them and MyCSP to discuss the handling of their particular exit schemes.

Please bring the contents of this circular to the attention of our members.

Thank you in anticipation of your support and co-operation.

Yours sincerely



ANDY DARKEN

Deputy General Secretary