



5 August 2015

Dear Colleague,

Milne v the Government Actuary's Department – responses to queries

This letter responds to queries from forces and pensions administrators about the administration of the payments resulting from the decision of the Pensions Ombudsman in the case of Milne v the Government Actuary's Department (GAD).

- 1) **Authority to make payments** - does the provision of the "Administrative Pro-forma" imply that forces have authority to make payments?

Answer –

Yes – forces have authority to make payments in accordance with the guidance supplied by GAD.

- 2) **Funding the payments** – will the costs of the payments be met by central government, or by police forces?

Answer –

The Government will meet the immediate cost of the lump sum and interest via the existing top-up grant process. The tax will be treated as described in the guidance document.

- 3) **Overpayments** – in some cases, the revised factors GAD has produced are actually lower than the factors which originally applied. Should we recover any overpayments?

Answer –

GAD has identified that there will be some females who retired between 1 December 2001 and 30 November 2004 where the reconstructed factors are lower than the commutation factors applied on their retirement. In such cases, there is no further payment due to the retired member. Government has decided that it would be inappropriate to seek to recoup any such overpayments in these cases.

4) Calculator – when will the excel calculator be available?

Answer –

GAD is developing a revised version of their calculator, which will be able to make bulk calculations, following feedback from administrators on the previous draft. The Home Office has invited members of the technical working group to consider it for two weeks and, subject to any amendments following this consultation, hopes to make it available to administrators before the end of August

5) Discharge form – Wouldn't it be sensible if all forces use the same form rather than all of us obtaining our own legal advice and creating our own forms?

Answer –

The Home Office is seeking to provide further advice on the recommended form of discharge as soon as possible.

Yours sincerely,

Paul Nicol