



**HEDDLU
GOGLEDD CYMRU
NORTH WALES
POLICE**

Response Date:05/03/2024

2024/232 - Scheme Sanction Charge

In response to your recent request for information regarding;

Whether any North Wales Police officers who retired after July 2011 and before January 2024 has been required to pay the Scheme Sanction Charge pertaining to their commutation upon retirement.

The Head of Finance will have this information.

Below gives some background:

The Scheme Sanction Charge is a charge related to an unauthorised payment. An unauthorised payment happens when a commutation lump sum is above the Pension Commencement Lump Sum (PCLS) threshold. Unauthorised payments have been happening since 2011 when commutation factors rose and the size of the lump sum increased.

There is a member charge of 40% of the unauthorised payment, and a 15% charge known as scheme sanction charge, which should be paid by the scheme, but some scheme managers have been passing this charge to the member.

Officers were initially charged the Scheme Sanction Charge, but following advice from national bodies, these were refunded and now no officers are charged the Scheme Sanction Charge (and those that were have been refunded).

THIS INFORMATION HAS BEEN PROVIDED IN RESPONSE TO A REQUEST
UNDER THE FREEDOM OF INFORMATION ACT 2000, AND IS CORRECT AS AT 26/02/2024