



## LANCASHIRE UNISON CAMPAIGN TO PROTECT OUR PENSIONS

# CONSULTATION ON INTERIM PROTECTION PROPOSALS

In response to our industrial action on 28 March and the Joint Statement with the LGA, the DCLG proposes to amend the April 2006 Regulations.

### The April 2006 Regulations

The Regulations introduced on the 1st April this year, propose the removal of the '85 Rule' from the 1st October 2006. The protection arrangements in the April Regulations would mean that:

- If you satisfy the '85 Rule', are under age 60 at 31st March 2013

and you retire voluntarily before the age of 65 then benefits earned on service after 1 October would be liable to be reduced by an early retirement factor.

- If you satisfy the '85 Rule' and are age 60 on or before 31st March 2013 then you have protection. If you retire voluntarily before the age of 65 only service earned after 31st March 2013 would be reduced by an early retirement factor.

As before, the Regulations require employer consent for members to

retire and draw pension before the age of 60. If your employer allows you to go before 60 then your benefits would not be reduced by an early retirement factor if you satisfied the '85 Rule' by that date.

A member can still retire on permanent ill health from any age and from the date the member is retired by the employer on efficiency or redundancy grounds if over age 50 without any early retirement factor.

### How does the current Consultation Draft propose to change the protections?

There are three changes that will improve protections for those who satisfy the '85 rule':

- Protection to the 31st March 2013 is extended to 31st March 2016. This would mean that a member who satisfies the '85 rule' and who is 60 on or before 31st March 2016 and who was allowed to go before 60 or goes without consent from 60 to 65, then benefits earned up to 31st March 2016 would be unreduced by any early retirement factor.
- The '85 rule' would remain for all active members who satisfy it until 31st March 2008. This means that the rule of 85 will not cease at 1st October 2006 for members who join on or before that date, but continue until (depending on negotiations) at least 1st April 2008 when the 'new scheme' is scheduled to come into force.

- Those who reach age 60 between 1st April 2016 and before 1st April 2020, who satisfy the '85 rule' and retire before the age of 65, would have any early retirement reduction on benefits earned after 1st April 2008 reduced by an early retirement factor that is tapered.

### What else is in the consultation draft?

There are some technical changes that include making it clearer that a member can commute up to 25% of the capital value of their accrued rights that include benefits arising from additional contributions.

### What is not in the consultation draft?

The current early retirement factors are out of date and too high. Discussions are ongoing with the Government Actuaries Department (GAD) to reduce them as soon as possible. The new factors will not be part of the Regulations but will be in guidance issued by GAD.

### UNISON's response to the current consultation

UNISON's position – and that of the Trade Union Side – is that, while the proposals represent a marginal improvement, they fall well short of

our objective of full protection for existing members if the 85 Rule is finally removed in October. Each of UNISON's Service Groups have 'noted' them as interim proposals. We will continue to challenge the removal of Rule of 85 through our Judicial Review. We have voiced this view firmly at every opportunity during the negotiations and in all our dealings with Government.

UNISON and the other unions are asking you to:

- Continue to call for full protection for LGPS members, in line with the deal done for all the other public sector pension schemes
- Support the DCLG proposals as interim improvements only subject to further negotiations and our Judicial Review
- We hope that our Judicial Review will be heard in the next few weeks. If we are successful, we will be in a stronger position to challenge the Government and LGA's resistance to full protection.

**Please circulate to non-members and encourage them to join.  
For an application form contact the Branch Office on  
01772 533072 or e-mail [unison@unison.lancscc.gov.uk](mailto:unison@unison.lancscc.gov.uk)**

