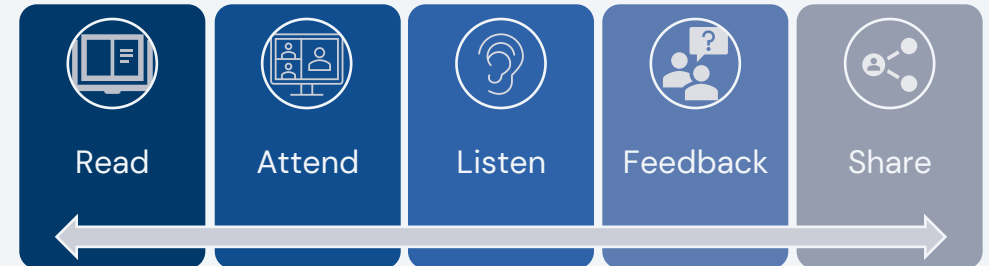


# NPCC Police Pensions Update

## 19 December 2024

Clair Alcock  
NPCC Head of Police Pensions



# Calculating the amount of the original (now overpaid) unauthorised payments charge

“Repayment interest is due in respect of the overpaid tax on the original unauthorised payments for the period:

- starting with the later of the tax payment due date (31 January 2025) and the date on which the tax was paid to HMRC (in this example 5 January 2025).
- ending with the date on which the top-up lump sum is paid to the member (31 March 2025)”

[Appendix B – offsetting process for the unauthorised payments charge – GOV.UK](#)

# When was the tax paid?



Bulletin 13 – dated 14  
November 2024

*“To ensure that pension administrators are able to use the offsetting guidance for members, confirmation that the original unauthorised payment tax charge has been made to HMRC along with details of the date of payment will need to be made available. Scheme managers will need to collate this information, and an [unauthorised payment details spreadsheet](#) has been provided with this bulletin to enable this to be provided to the pension administrator.”*



NO replies to date

# Terminology



'Scheme administrator' under [S270 of the finance act 2004](#) is the 'scheme manager' under regulation 9 of the [Police Pension Regulations 2015](#) who is the police pension authority. It is this body who is responsible for reporting the charges to HMRC.



Pension administrator, which can be in house or a third party refers to a body who administers the scheme on the scheme managers behalf.

# Current position

1. Where the UP Charge was paid on time by the scheme manager the interest start date is 31 January.

2. UP Charge paid late – Interest cannot be calculated on the original unauthorised (now overpaid) tax charge if we don't know when it was paid

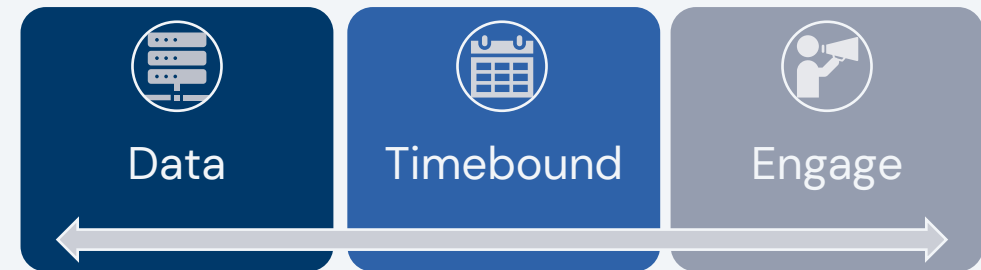
3. If the UP charge has not been paid at all by the scheme manager, the offsetting guidance cannot be used at all. It is the responsibility of the scheme manager to tell the pension administrator whether they have paid the charge and whether the pension administrator can use the offsetting guidance.

# Discussion with HMRC

- Ongoing discussion with HMRC to discuss alternatives to not knowing the date.

“Having spent some time, we have not yet been able to identify an alternative which meets all the parties’ requirements that doesn’t require schemes to understand and when the UP charge was paid, particularly where this is after 31 January deadline.”

# What's next



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