



LGPS Forfeiture Policy

APPENDIX 1

The Local Government Pension Scheme Regulations – Forfeiture Regulations

<u>Regulation 93 – Recovery of monetary obligations</u>	<u>Regulation 91 – Forfeiture Certificates</u>
Requires the employee to have been dismissed in consequence of grave misconduct or a criminal, negligent or fraudulent act or omission.	Requires the employee to have been dismissed and convicted of an offence, which gave cause to their dismissal.
The employee must have incurred a monetary obligation to their former employer arising from their misconduct or a criminal, negligent or fraudulent act or omission.	No requirement for there to be a monetary obligation of the ex-employee to the former employer. However the offence committed must in the opinion of the Secretary of State be considered to be gravely injurious to the State or liable to lead to a serious loss of confidence in the public service.
Does not require approval from the Secretary of State.	Must have approval from the Secretary of State. In addition, if the Scheme employer has incurred loss as a direct consequence of the offence committed, it may only apply for a Forfeiture Certificate if it is unable to recover its loss under regulation 93 or otherwise, except after an unreasonable time or at disproportionate cost.
Limited to the lesser of the monetary obligation to the former employer or the value of the accrued pension rights at the time of recovery or retention (excluding transfer values, additional pension contributions to the Fund or AVC's) Benefits may not be reduced so as to deprive a person of the guaranteed minimum pension or any widow's, widower's or surviving civil partner's guaranteed minimum pension*.	Benefits may not be reduced so as to deprive a person of the guaranteed minimum pension or any widow's, widower's or surviving civil partner's guaranteed minimum pension*.
<p>The Scheme Employer must:</p> <ul style="list-style-type: none"> • provide the former employee no less than three months' notice of the amount to be recovered or retained. • provide to the former employee a statement showing the amount to be recovered or retained and how it has been calculated and the effect on the individuals pension benefits. • where a dispute occurs, make no recovery or retention until the monetary obligation is enforceable under an order of a competent court or the award of an arbitrator. 	<p>The Scheme Employer:</p> <ul style="list-style-type: none"> • must make an application to the Secretary of State for the forfeiture certificate and at the same time send a copy of the application to both the convicted person and the administering authority. An application must be made within a three month period beginning with the date of conviction. • Where a forfeiture certificate is issued may direct that any of the member's rights under the LGPS Regulations are forfeited. • Serve a notice of its decision to make a direction on the member.



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() Where there is a conviction for the offence of treason or a conviction under the Official Secrets Act 1911 to 1989 for which the person has been sentenced to either a prison term of more than 10 years or consecutive terms, which in aggregate exceed 10 years, the benefits may be reduced so as to deprive a person of the guaranteed minimum pension or any widow's, widower's or surviving civil partner's guaranteed minimum pension.*

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