



Lancashire Fire
and Rescue Service

Mr

Please ask for: Bob Warren
Direct Line: 01772 866805
Email: bobwarren@lancsfireandrescue.org.uk
Your Ref: -
Our Ref: BW/LK
Date: 26 March 2009

Dear Mr B

FIREFIGHTERS PENSION SCHEME - INJURY PENSION REVIEW

Further to previous correspondence and discussion in respect of the recovery of the overpayment you have received. I have no record of having received any proposal from yourself.

Since our discussion, we have sought legal opinion from a Queens Counsel about the options that are available to us.

His advice was very detailed but in summary stated the following:

1. The amount of benefits paid by the Department of Work and Pensions must to be deducted from the Injury Award to determine the amount of injury pension due.
2. The onus is on the individual to notify the pension provider of changes in the level of benefits paid.
3. The lack of notification has resulted in the overpayments.
4. Pensioners who have been overpaid should not be permitted to benefit at the expense of those pensioners who did obey the rules.
5. The amount of overpayment has to be calculated for each individual and is a precise figure without any element of discretion.
6. The monies involved are public funds. Therefore, full repayment should be made together with interest.
7. There is no grounds for discounting this figure on compassionate grounds as this would amount to an unlawful gift.
8. However, a pragmatic approach is required in terms of recovery of outstanding funds.
9. It would not be permissible to reduce the amount due on "compassionate" grounds but it would be permissible to consider the financial effect on individuals.
10. Where agreement has already been reached then it is not necessary to revisit to add interest to the sums involved.
11. If a short period of repayment is agreed or a lump sum paid then some reduction in the amount of debt could be agreed.

Cont.

Headquarters

Lancashire Fire & Rescue Service
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I would stress this is legal advice we have received, however, before considering adding interest etc the Service would invite you to offer a proposal to refund the overpayments.

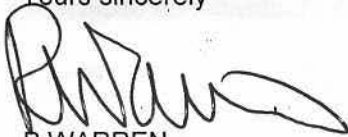
To assist, the Service has considered how the financial position could be considered and I enclose a worked example. This is based on the procedure adopted by Social Services and I have arranged for the experts in these calculations in Social Services to be available to consider individual circumstances.

If as a result of this assessment, it is clear that repayment would not be practicable then this would allow the Service to consider reducing the debt owed.

If I have not received an acceptable proposal by 30 April 2009, then I believe it is necessary to formally comply with Counsel's advice including formally calculating the debt adding interest.

If you require any assistance, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'B Warren', written over a faint circular stamp.

B WARREN
DIRECTOR OF PEOPLE AND DEVELOPMENT

Calculation of Amount Available for Repayment

Total Income (including any earnings from paid employment, state benefits, pensions etc)

Minus

Protected Minimum Income (a level of income set by Central Government defined as necessary to meet basic living costs and which includes an allowance for certain 'standard' household costs such as food)

- For a single person over 60 - £155.06 per week
- For a couple over 60 - £236.69 per week

A 25% buffer is added to this.

Minus

Household Expenses (costs not included within the Protected Minimum Income as they are specific to an individual's circumstances, such as mortgage repayments)

Minus

Disability Related Expenses

Equals

Net Disposable Income

It is assumed that 60% of Net Disposable Income is available to meet repayments