# POLICE REGULATION (SUPERANNUATION) AMENDMENT BILL 1987

#### **NEW SOUTH WALES**



# **EXPLANATORY NOTE**

(This Explanatory Note relates to this Bill as introduced into Parliament)

This Bill is cognate with the Superannuation Administration Bill 1987.

The object of this Bill is to amend the Police Regulation (Superannuation) Act 1906-

- (a) to close the Police Superannuation Fund to new contributors (future members of the police force may become contributors to the proposed State Authorities Superannuation Scheme);
- (b) to abolish the Police Superannuation Board and to transfer the administration of the Act to the State Authorities Superannuation Board (and to constitute a Police Superannuation Advisory Committee to advise that Board on the administration of the Act);
- (c) to improve the benefits payable to members of the police force who remain in the Police Superannuation Fund and, in particular—
  - (i) to increase the superannuation allowance payable on early retirement;
  - (ii) to allow a retired member to commute a superannuation allowance to a lump sum payment;
  - (iii) to allow a member who is only entitled to a refund of contributions to preserve a benefit in the Fund;
  - (iv) to provide a "disengagement" benefit for certain members of the police force approved by the Commissioner of Police who are over 50 years of age but less than 55 years of age; and
  - (v) to increase the lump sum benefit payable to a member of the police force who dies otherwise than after being hurt on duty; and
- (d) to make certain other miscellaneous amendments to the Act.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 is a formal provision that gives effect to the Schedules of amendments to the Principal Act.

Clause 4 enacts savings and transitional provisions and, in particular, provides that certain amendments to give effect to the improved benefits do not apply to persons who are already in receipt of benefits under the Principal Act.

Schedule 1 closes the Police Superannuation Fund to new contributors after 1 April 1988 (with some minor exceptions).

Schedule 2 (1) (a) transfers to the State Authorities Superannuation Board the functions of the Police Superannuation Board under the Principal Act.

Schedule 2 (1) (b) is a consequential amendment.

Schedule 2 (2) repeals the provisions of the Principal Act which constitute the Police Superannuation Board and which regulate its proceedings.

Schedule 2 (3) establishes the Police Superannuation Advisory Committee and defines its functions. The Committee is to consist of 4 Government nominees and 4 employee nominees (the employee nominees being 3 members nominated by the Police Association and 1 member nominated by the Commissioned Officers' Branch of the Public Service Association). The Committee is to advise the Board on the administration of the Principal Act (including the exercise of delegated functions) and to advise the Commissioner of Police on the administration of the proposed special risk benefit under the Police Regulation Act 1899.

Schedule 2 (4) makes provision with respect to the members and procedure of the Committee.

Schedule 3 (1) increases the superannuation allowance payable to members of the police force on early retirement after the age of 55 years and removes the requirement for a minimum of 30 years' service.

Schedule 3 (2) empowers the Commissioner of Police to offer a disengagement benefit to members of the police force who are over 50 years of age but less than 55 years of age and who have had at least 30 years' service. The amount of the benefit is similar to the amount of the preserved benefit (referred to in Schedule 3 (3)) which is the alternative benefit available where the member has not reached the early retirement age.

Schedule 3 (3) provides for a preserved benefit for members of the police force who resign etc. but do not take a refund of contributions. The preserved benefit is payable (after adjustment in line with the movement in the consumer price index) on the former member reaching 55 years of age, becoming incapacitated or dying.

Schedule 3 (4)–(9) preclude any allowance for a spouse or other reversionary benefits where a member of the police force commutes his or her superannuation allowance (as proposed under Schedule 3 (12)) or in certain cases receives a disengagement benefit.

Schedule 3 (10) increases the benefit payable if a member of the police force dies otherwise than as a result of being hurt on duty.

Schedule 3 (11) is a consequential amendment.

Schedule 3 (12) and (13) allow a member of the police force to commute to a lump sum a superannuation allowance payable on retirement or on discharge due to incapacity.

Schedule 4 (1) and (3) change the provisions of the Principal Act relating to the discharge of members of the police force who are medically unfit. Under the new provisions the State Authorities Superannuation Board and not the Police Medical Board has the responsibility of making the final decision on whether a superannuation allowance should be paid. 2 members of the Medical Board or other nominated medical practitioners are to provide the necessary medical advice on the condition and fitness for employment of the member of the police force concerned. A superannuation allowance will not become payable unless the injured member of the police force is incapable of performing the duties not only of the member's current office but also of any other office in the police force which is available and in which it would be reasonable to expect the member to be employed.

Schedule 4 (2) allows the additional superannuation allowance payable to a discharged member of the police force who was hurt on duty to be determined at any time and to be varied from time to time.

Schedule 4 (4) clarifies the provisions of the Principal Act relating to the power to require a former member who is in receipt of a superannuation allowance for incapacity to serve again in the police force.

Schedule 4 (5) provides for payment, in the event of death, of a benefit without a grant of probate or letters of administration, or in anticipation of a claim under the Family Provision Act 1982.

Schedule 4 (6) entitles the Board to arrange with a beneficiary for the payment of a gratuity by instalments.

Schedule 4 (7) repeals the provisions in the Principal Act relating to appeals from the Board's decisions to the Industrial Commission (the proposed Superannuation Administration Act 1987 will deal with those rights of appeal).



# POLICE REGULATION (SUPERANNUATION) AMENDMENT BILL 1987

#### **NEW SOUTH WALES**



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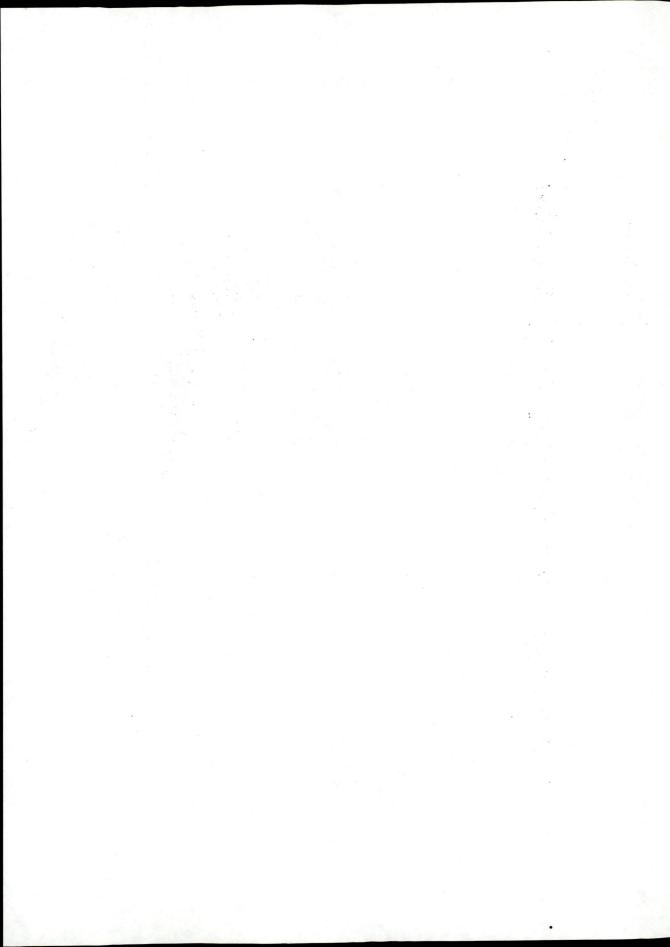
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# POLICE REGULATION (SUPERANNUATION) AMENDMENT BILL 1987

**NEW SOUTH WALES** 



No. , 1987

# A BILL FOR

An Act to amend the Police Regulation (Superannuation) Act 1906 to close the Police Superannuation Fund to new contributors, to improve the benefits payable from that Fund to existing contributors and to change the administration of that Fund.

# The Legislature of New South Wales enacts:

#### Short title

1. This Act may be cited as the Police Regulation (Superannuation) Amendment Act 1987.

### 5 Commencement

- 2. (1) Subject to this section, this Act shall commence on a day or days to be appointed by proclamation.
- (2) Schedules 1 and 2, and section 3 in its application to those Schedules, shall commence on 1 April 1988.

## 10 Amendment of Act No. 28, 1906

3. The Police Regulation (Superannuation) Act 1906 is amended as set out in Schedules 1-4.

## Savings and transitional provisions

- 4. (1) The amendments made by this Act to sections 7AA, 8, 10B, 13 and 13A of the Police Regulation (Superannuation) Act 1906 do not apply to or in respect of a member of the police force who retired, was discharged or died (as the case requires) before the commencement of those amendments.
- (2) Section 9B of the Police Regulation (Superannuation) Act 1906 does 20 not apply to a person who becomes entitled to a payment under section 17 of that Act before the commencement of section 9B.

# SCHEDULE 1—AMENDMENT RELATING TO THE CLOSURE OF THE POLICE SUPERANNUATION FUND

(Sec. 3)

#### 25 Section 1A—

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Omit the section, insert instead:

# Closure of Fund to police employed on or after 1 April 1988

- 1A. This Act does not apply to or in respect of a member of the police force who becomes such a member on or after 1 April 1988, except—
  - (a) a retired or discharged member of the police force who is in receipt of a superannuation allowance under this Act and who serves again in the police force under section 16 or otherwise;

# SCHEDULE 1—AMENDMENT RELATING TO THE CLOSURE OF THE POLICE SUPERANNUATION FUND—continued

- (b) a former member of the police force who is a contributor to the Fund as a member of the Police Association of New South Wales and who serves again in the police force; and
- (c) a member of the police force of a class prescribed by the regulations.

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# SCHEDULE 2—AMENDMENTS RELATING TO THE ADMINISTRATION OF THE POLICE SUPERANNUATION FUND

(Sec. 3)

- (1) Section 1 (Short title, commencement and interpretation)—
  - (a) Section 1 (2), definition of "Board"—

Omit the definition, insert instead:

- "Board" means the State Authorities Superannuation Board constituted by the Superannuation Administration Act 1987;
- (b) Section 1 (2), definitions of "secretary" and "State Compensation Board"—
- (2) Part II (POLICE SUPERANNUATION BOARD)—
  Omit the Part.
- (3) Part IIA—

Before Part III, insert:

# PART IIA—POLICE SUPERANNUATION ADVISORY COMMITTEE

#### **Constitution of Committee**

Omit the definitions.

- 2H. (1) There is constituted by this Act a Police Superannuation Advisory Committee.
  - (2) The Committee shall consist of 8 members, of whom—
  - (a) 1 shall be the Secretary of the New South Wales Superannuation Office, who shall be the Chairperson of the Committee; and
  - (b) the remainder shall be appointed by the Minister.
  - (3) Of the appointed members—
  - (a) 3 shall be persons nominated by the Police Association of New South Wales;

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- (b) 1 shall be a person nominated by the Commissioned Officers' Branch of the Public Service Association of New South Wales:
- (c) 1 shall be a person nominated by the Board;
- (d) 1 shall be a person nominated by the State Compensation Board; and
- (e) 1 shall be a person nominated by the Minister for Police and Emergency Services.
- (4) Schedule 4 has effect with respect to the members and procedure of the Committee.

### **Functions of Committee**

- 21. The functions of the Police Superannuation Advisory Committee are—
  - (a) to advise the Board on such matters relating to the administration of this Act as are referred to it by the Board;
  - (b) to advise the Commissioner of Police on such matters relating to the administration of section 12H of the Police Regulation Act 1899 (Special risk benefit where member hurt on duty) as are referred to it by the Commissioner of Police; and
  - (c) such other functions relating to the administration of this Act as are delegated to it by the Board.

# **Delegation to Committee**

2J. The Board may delegate to the Police Superannuation Advisory Committee any of its functions under this Act, other than this power of delegation.

(4) Schedule 4—

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After Schedule 3, insert:

# SCHEDULE 4—PROVISIONS RELATING TO MEMBERS AND PROCEDURE OF THE POLICE SUPERANNUATION ADVISORY COMMITTEE

(Sec. 2H (4))

### **Definitions**

1. In this Schedule—

"Committee" means the Police Superannuation Advisory Committee;

"member" means a member of the Committee.

### Age of appointed members

2. A person of or above the age of 70 years is not eligible to be appointed as a member.

## Terms of office of appointed members

3. Subject to this Schedule, an appointed member holds office for such period, not exceeding 5 years, as may be specified in the member's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.

### Remuneration of appointed members

4. An appointed member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the member.

# Vacancy in office of appointed member

- 5. (1) The office of an appointed member becomes vacant if the member—
  - (a) dies;
  - (b) completes a term of office and is not re-appointed;
  - (c) resigns the office by instrument in writing addressed to the Minister;
  - (d) is removed from office by the Minister under this clause;
  - (e) reaches the age of 70 years;
  - (f) becomes a temporary patient or a continued treatment patient within the meaning of the Mental Health Act 1958, a forensic patient within the meaning of the Mental Health Act 1983 or a protected person within the meaning of the Protected Estates Act 1983; or
  - (g) is convicted in New South Wales of an offence that is punishable by penal servitude or imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable.
- (2) The Minister may remove an appointed member from office at any time.

### Filling of vacancy

6. If the office of an appointed member becomes vacant, a person shall, subject to this Act, be appointed to fill the vacancy.

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#### Effect of certain other Acts

- 7. (1) The Public Service Act 1979 does not apply to the appointment of an appointed member and an appointed member is not, as such a member, subject to that Act.
  - (2) If by or under any other Act provision is made—
    - (a) requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office; or
  - (b) prohibiting the person from engaging in employment outside the duties of that office,

that provision does not operate to disqualify the person from holding that office and also the office of a member or from accepting and retaining any remuneration payable to the person under this Act as a member.

# **Deputies for members**

- 8. (1) The Minister may, from time to time, appoint a person to be the deputy of a member.
- (2) A deputy of a member may, in the absence of the member or during a vacancy in the office of the member, act in the office of the member and, while so acting, has all the functions of the member and shall be deemed to be a member.

# General procedure

9. The procedure for the calling of meetings of the Committee and for the conduct of business at those meetings shall, subject to this Act and the regulations, be as determined by the Committee.

#### **Quorum**

10. The quorum for a meeting of the Committee is 5 members.

### **Presiding member**

11. The Chairperson of the Committee or, in the absence of the Chairperson and the deputy of the Chairperson, another member elected to chair the meeting by the members present shall preside at a meeting of the Committee.

# Voting

12. A decision supported by a majority of the votes cast at a meeting of the Committee at which a quorum is present shall be the decision of the Committee.

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### **Minutes**

13. The Committee must cause full and accurate minutes to be kept of the proceedings of each meeting of the Committee.

### First meeting

14. The Minister shall call the first meeting of the Committee.

# SCHEDULE 3—AMENDMENTS RELATING TO BENEFITS PAYABLE FROM THE POLICE SUPERANNUATION FUND

(Sec. 3)

(1) Section 7AA (Superannuation allowance on early retirement)—

Section 7AA (2), (2A)—

Omit section 7AA (2), insert instead:

(2) The annual superannuation allowance for a member of the police force who retires on or after reaching the age of 55 years and before reaching the age of 60 years is the amount calculated in accordance with the following formula:

$$P = \frac{0.02425}{12} \times S \times V \times \left[ 1 - \frac{0.04}{12} \times (720 - A) \right]$$

where-

P represents the annual superannuation allowance payable;

S represents the member's salary of office;

V represents the number of months of service that has been completed by the member (subject to a maximum of 360);

A represents the age of the member at the date of retirement (expressed in months).

(2A) For the purposes of V and A in the formula in subsection (2), a part of a month of service or age shall be disregarded.

(2) Section 8A-

After section 8, insert:

# Disengagement benefit for members aged between 50-55 years

8A. (1) The Commissioner of Police may, if the Commissioner considers that it is in the interests of the police force to do so, offer a disengagement benefit under this section to any class of members of the police force (or any particular members of the police force).

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- (2) A member of the police force is not eligible for a disengagement benefit under this section unless the member—
  - (a) is of or over 50 years of age but less than 55 years of age; and
  - (b) has served as a member of the police force for at least 30 years.
- (3) A disengagement benefit under this section is payable by the Commissioner of Police and is not payable from the Fund.
- (4) A member of the police force who accepts an offer of a disengagement benefit under this section shall be retired from the police force by the Commissioner of Police in accordance with the terms of the offer.
- (5) The disengagement benefit under this section is a gratuity calculated in accordance with the following formula:

$$L = \left(E \times \frac{S}{(S+P)}\right) \times 0.97^{(55-A)}$$

where—

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- L represents the gratuity payable;
- E represents the lump sum that would have been payable if the member had continued as a member of the police force until the age of 55 years at the same salary of office and had commuted the superannuation allowance otherwise payable to the member;
- S represents the number of months of service that has been completed by the member;
- P represents the number of additional months of service that the member would have completed if the member had continued as a member of the police force until the age of 55 years:
- A represents the age in years of the member (including fractions of a year on a completed months' basis) at the date of retirement.
- (6) For the purposes of S and P in the formula in subsection (5), a part of a month of service shall be disregarded.
- (7) The acceptance of an offer under this section must be in writing in accordance with the terms of the offer.

- (8) The Commissioner of Police is not entitled to a disengagement benefit under this section.
- (9) Nothing in this section prevents a member of the police force who is offered a disengagement benefit from electing instead to make provision for the benefit provided by section 9B (Preserved benefit).
- (3) Section 9B—

After section 9A, insert:

#### Preserved benefit

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- 9B. (1) A member of the police force who becomes entitled (not less than 3 years after last becoming such a member) to a payment under section 17 (Refund of deductions) may elect to make provision instead for the benefit provided by this section.
- (2) Where any such election made by a member of the police force takes effect, the member is not entitled to any payment under section 17.
- (3) The benefit provided by subsection (6) is payable by the Board from the Fund—
  - (a) when the former member reaches the age of 55 years;

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- (b) if, before reaching that age, the former member dies; or
- (c) on the Board being satisfied that the former member is incapable, from an infirmity of mind or body, of being employed in any remunerative occupation in which, in the opinion of the Board, it would otherwise be reasonable to expect the former member to engage.

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- (4) Subject to subsection (3), the benefit provided by subsection (6) is payable—
  - (a) except where the former member has died—to the former member:

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- (b) if the former member has died and is survived by a spouse—to the spouse; or
- (c) if the former member has died but is not survived by a spouse—to the former member's personal representatives or (if appropriate) in accordance with section 18B.

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(5) The benefit provided by subsection (9) is payable by the Board from the Fund to the former member on the former member electing to take that benefit and the election taking effect—

- (a) after the election made under subsection (1) takes effect;
- (b) before the benefit provided by subsection (6) becomes payable to, or in relation to, the former member.
- (6) The benefit provided by this subsection is a gratuity that is the greater of the following 2 amounts:
  - (a) the amount calculated by multiplying by 2.5 the amount that would have been payable under section 17 (Refund of deductions) if interest were not payable under that section;
  - (b) the amount calculated in accordance with the following formula:

$$L = \left(E \times \frac{S}{(S+P)}\right) \times 0.97^{(55-A)}$$

where-

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- L represents the gratuity payable;
- E represents the lump sum that would have been payable if the former member had continued as a member of the police force until the age of 55 years at the same salary of office and had commuted the superannuation allowance otherwise payable to the former member;
- S represents the number of months of service that has been completed by the former member;
- P represents the number of additional months of service that the former member would have completed if the former member had continued as a member of the police force until the age of 55 years;
- A represents the age in years of the former member (including fractions of a year on a completed months' basis) at the date the former member ceased to be a member.
- (7) When a benefit becomes payable under subsection (6) the amount of the gratuity as determined under that subsection shall be adjusted in accordance with the following formula:

$$L2 = L1 \times \frac{A}{B}$$

where-

L2 represents the amount of the gratuity as adjusted;

	continueu
	L1 represents the amount of the gratuity before it is adjusted;
5	A represents the index number in the Consumer Price Index (All Groups Index) for Sydney last published by the Australian Statistician before the date the gratuity becomes payable;
	B represents the index number in the Consumer Price Index (All Groups Index) for Sydney last published by the Australian Statistician before the date the election of the member under subsection (1) took effect.
0	(8) For the purposes of S and P in the formula in subsection (6), a part of a month of service shall be disregarded.
	(9) The benefit provided by this subsection is a gratuity that is equal to the sum of—
5	(a) the amount of the payment under section 17 that would have been payable to the former member when he or she

rate determined by the Board.

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ceased to be a member if the former member had not made the election under subsection (1); and
(b) interest on the amount referred to in paragraph (a), from the date the former member ceased to be a member, at a

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- (10) An election under this section shall be in writing and made in such manner as the Board determines.
- (11) If the former member of the police force becomes entitled to a superannuation allowance under section 10—

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(a) before a gratuity is paid under this section —the gratuity ceases to be payable and the member shall be paid the superannuation allowance under section 10; or

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(b) after a gratuity is paid under this section—the amount of the gratuity shall be deducted from the superannuation allowance under section 10 in such instalments and at such times as the Board may determine.

(12) If a person becomes entitled to a superannuation allowance under section 12 as a consequence of the death of the former member of the police force—

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(a) before a gratuity becomes payable under this section—the gratuity ceases to be payable and the person shall be paid the superannuation allowance under section 12; or

- (b) after a gratuity is paid under this section— the amount of the gratuity shall be deducted from the superannuation allowance under section 12 in such instalments and at such times as the Board may determine.
- (13) In this section, "spouse" has the same meaning it has in section 13.
- (4) Section 10 (Superannuation allowance where member hurt on duty)— Section 10 (2)—

At the end of section 10, insert:

- (2) An annual superannuation allowance under this section shall not be payable to a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.
- (5) Section 10c (Redemption of superannuation allowance granted to disabled member)—

Section 10c (3)—

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After section 10c (2), insert:

- (3) This section does not apply to a superannuation allowance that has been commuted under Division 3.
- (6) Section 11A (Grant of superannuation allowance to widow)—
  - (a) Section 11A (2) (a)—

Omit "and".

(b) Section 11A (2) (a1)—

After section 11A (2) (a), insert:

- (a1) shall not be payable to the widow of a member of the police force who commuted his superannuation allowance under Division 3; and
- 30 (7) Section 11c (Grant of superannuation allowance to dependent widower)—

Section 11c (3) (a1)—

After section 11c (3) (a), insert:

(a1) shall not be payable to a widower of a member of the police force who commuted her superannuation allowance under Division 3;

(8)	Section	12 (Superannuation	allowance	where	member	dies	as	a	result
	of being	hurt on duty)—							

(a) Section 12 (1A), (1B)—

Omit "section 13 (2)" wherever occurring, insert instead "section 13".

(b) Section 12 (1D)—

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After section 12 (1c), insert:

- (1D) An annual superannuation allowance under this section shall not be payable as a consequence of the death of a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.

# 15 (9) Section 12A (Allowance in respect of certain children)—

Section 12A (2B)—

After section 12A (2A), insert:

- (2B) An allowance under this section shall not be payable as a consequence of the death of a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.

## 25 (10) Section 13—

Omit the section, insert instead:

# Gratuity where deceased member not hurt on duty

- 13. (1) If a member of the police force dies otherwise than in the circumstances referred to in section 12, the Board shall pay—
  - (a) if the deceased member is survived by a spouse—to the deceased member's spouse; or
  - (b) if the deceased member is not survived by a spouse—to the personal representatives of the deceased member or (if appropriate) in accordance with section 18B,

a gratuity calculated in accordance with the following formula:

$$G = 0.01 \times (AS + AS + PS) \times S$$

where-

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G represents the gratuity payable;

- AS represents the number of months of service that has been completed by the deceased member (subject to a maximum of 360);
- PS represents (in the case of a member dying before the age of 55 years) the number of additional months of service that the deceased member would have completed if the deceased member had reached the age of 55 years (subject to the maximum number necessary so that the total of AS + PS does not exceed 360);

S represents the member's salary of office at the date of death.

- (2) For the purposes of AS and PS in the formula in subsection (1), a part of a month of service shall be disregarded.
  - (3) In this section—
  - "spouse", in relation to a deceased member of the police force, means—
  - (a) if the deceased member was survived by a widow or widower—the widow or widower of the deceased member;
  - (b) if the deceased member was not survived by a widow or widower—
    - (i) where the deceased member was a man and, at the time of his death, he was living with a woman as her husband on a bona fide domestic basis—the woman with whom he was so living; or
    - (ii) where the deceased member was a woman and, at the time of her death, she was living with a man as his wife on a bona fide domestic basis—the man with whom she was so living.

### (11) Section 13A—

Omit the section, insert instead:

Gratuity where deceased member hurt on duty but left no dependants etc.

13A. If a member of the police force dies under circumstances referred to in section 12 but there is no person to whom a superannuation allowance may be paid under section 12, a gratuity shall be paid under section 13 to the personal representative of the deceased member or (if appropriate) in accordance with section 18B.

### (12) Part IV, Division 3-

After Division 2, insert:

# Division 3—Commutation of superannuation allowances to lump sum

#### 15 **Definitions**

141. In this Division—

"disabled member of the police force" means a member of the police force who is discharged after being certified, pursuant to section 8 (1) or 10B (1), to be incapable, from an infirmity of mind or body, of discharging the duties of his or her office;

"salary of office" means-

- (a) in relation to a member of the police force who commutes a superannuation allowance under section 7—the salary of office of the member at the date of retirement or discharge; or
- (b) in relation to a member of the police force who commutes a superannuation allowance under section 7AA or 10—the salary of office of the member within the meaning of that section.

# 30 Commutation on normal or early retirement of member

- 14J. (1) This section applies to a superannuation allowance payable—
  - (a) under section 7 (except where it is payable to a disabled member of the police force); or
  - (b) under section 7AA.
- (2) A person who becomes entitled after the commencement of this Division to a superannuation allowance to which this section applies may commute the whole of that allowance.

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- (3) A person wishing to commute such a superannuation allowance must lodge the election to do so with the Board in the form and within the time required by the Board.
- (4) If such a superannuation allowance is commuted under this section, the lump sum payable from the Fund to the person who made the election shall be calculated by multiplying the salary of office of the person by the appropriate commutation factor listed in Schedule 3.

# Commutation on discharge of disabled member

- 14K. (1) This section applies to a superannuation allowance payable to a disabled member of the police force under—
  - (a) section 7; or
  - (b) section 10.

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- (2) A person who is entitled to a superannuation allowance to which this section applies may, after reaching the age of 60 years at any time after the commencement of this Division, commute the whole of that allowance.
- (3) A person wishing to commute such a superannuation allowance must lodge the election to do so with the Board in the form and within the time required by the Board.
- (4) If such a superannuation allowance is commuted under this section, the lump sum payable from the Fund to the person who made the election shall be calculated by multiplying the annual superannuation allowance payable at the time the election takes effect by 10.92.

# Payment of lump sum to personal representatives

14L. If an election under this section takes effect and the person who made the election dies before any lump sum payable pursuant to the election is paid to the person, the Board shall pay the lump sum to the person's personal representatives or, if appropriate, in accordance with section 18B.

# (13) Schedule 3—

Omit the Schedule, insert instead:

**SCHEDULE 3** 

# LUMP SUM BENEFITS FOR NORMAL OR EARLY RETIREMENT—COMMUTATION FACTORS (MULTIPLES OF FINAL SALARY)

5	A	GE											
,		T	AGE NEXT BIRTHDAY ON ENTRY										
		(IT											
		Mths	25 &	26	27	28	29	30	31	32	33	34	35
10			less							-			
	55	0	7.58	7.33	7.08	6.83	6.57	6.32	6.07	5.81	5.56	5.31	5.06
	55	1	7.59	7.34	7.09	6.83	6.58	6.33	6.07	5.82	5.57	5.32	5.06
	55	2	7.60	7.35	7.09	6.84	6.59	6.33	6.08	5.83	5.57	5.32	5.07
1.5	55	3	7.61	7.36	7.10	6.85	6.59	6.34	6.09	5.83	5.58	5.33	5.07
15	55	4	7.62	7.36	7.11	6.86	6.60	6.35	6.09	5.84	5.59	5.33	5.08
	55	5	7.63	7.37	7.12	6.86	6.61	6.35	6.10	5.85	5.59	5.34	5.08
	55	6	7.63	7.38	7.13	6.87	6.62	6.36	6.11	5.85	5.60	5.34	5.09
	55	7	7.64	7.39	7.13	6.88	6.62	6.37	6.11	5.86	5.60	5.35	5.09
20	55	8	7.65	7.39	7.14	6.88	6.63	6.37	6.12	5.86	5.61	5.35	5.10
20	55	9	7.66	7.40	7.15	6.89	6.64	6.38	6.13	5.87	5.62	5.36	5.11
	55	10	7.67	7.41	7.15	6.90	6.64	6.39	6.13	5.88	5.62	5.37	5.11
	55	11	7.67	7.42	7.16	6.91	6.65	6.39	6.14	5.88	5.63	5.37	5.12
	56	0	7.68	7.68	7.42	7.17	6.91	6.66	6.40	6.14	5.89	5.63	5.38
	56	1	7.69	7.69	7.43	7.18	6.92	6.66	6.41	6.15	5.89	5.64	5.38
25	56	2	7.70	7.70	7.44	7.18	6.93	6.67	6.41	6.16	5.90	5.64	5.39
	56	3	7.70	7.70	7.45	7.19	6.93	6.68	6.42	6.16	5.91	5.65	5.39
	56	4	7.71	7.71	7.45	7.20	6.94	6.68	6.42	6.17	5.91	5.65	5.40
	56	5	7.72	7.72	7.46	7.20	6.95	6.69	6.43	6.17	5.92	5.66	5.40
	56	6	7.72	7.72	7.47	7.21	6.95	6.69	6.44	6.18	5.92	5.66	5.41
30	56	. 7	7.73	7.73	7.47	7.22	6.96	6.70	6.44	6.18	5.93	5.67	5.41
	56	8	7.74	7.74	7.48	7.22	6.96	6.71	6.45	6.19	5.93	5.67	5.42
	56	9	7.74	7.74	7.49	7.23	6.97	6.71	6.45	6.20	5.94	5.68	5.42
	56	10	7.75	7.75	7.49	7.23	6.98	6.72	6.46	6.20	5.94	5.68	5.43
	56	11	7.76	7.76	7.50	7.24	6.98	6.72	6.47	6.21	5.95	5.69	5.43
35	57	0	7.76	7.76	7.76	7.51	7.25	6.99	6.73	6.47	6.21	5.95	5.69
55	57	ĭ	7.77	7.77	7.77	7.51	7.25	6.99	6.73	6.48	6.22	5.96	5.70
	57	2	7.78	7.78	7.78	7.52	7.26	7.00	6.74	6.48	6.22	5.96	5.70
	57	3	7.78	7.78	7.78	7.52	7.26	7.01	6.75	6.49	6.23	5.97	5.71
	57	4	7.79	7.79	7.79	7.53	7.27	7.01	6.75	6.49	6.23	5.97	5.71
40	57	5	7.80	7.80	7.80	7.54	7.28	7.02	6.76	6.50	6.24	5.98	5.72
	57	6	7.80	7.80	7.80	7.54	7.28	7.02	6.76	6.50	6.24	5.98	5.72
	57	7	7.81	7.81	7.81	7.55	7.29	7.03	6.77	6.51	6.25	5.99	5.73
	57	8	7.81	7.81	7.81	7.55	7.29	7.03	6.77	6.51	6.25	5.99	5.73
	57	9	7.82	7.82	7.82	7.56	7.30	7.04	6.78	6.52	6.26	6.00	5.73
45	57	10	7.83	7.83	7.83	7.57	7.30	7.04	6.78	6.52	6.26	6.00	5.74
	57	11	7.83	7.83	7.83	7.57	7.31	7.05	6.79	6.53	6.27	6.00	5.74
	58	0	7.84	7.84	7.84	7.84	7 50	7 21	7.05	6 70	6.52	6 27	6.01
	58	1	7.84	7.84	7.84	7.84	7.58 7.58	7.31	7.05	6.79	6.53 6.54	6.27	6.01
	58	2	7.85	7.84	7.84	7.84	7.58 7.59	7.32 7.32	7.06	6.80	6.54	6.27 6.28	6.01
50	58	3	7.85	7.85	7.85	7.85	7.59	7.32	7.06	6.80	6.54	6.28	6.02
	58	4	7.86	7.86	7.86	7.86	7.60	7.33	7.07	6.81	6.55	6.29	6.03
	58	5	7.86	7.86	7.86	7.86	7.60	7.34	7.08	6.82	6.55	6.29	6.03
	58	6	7.87	7.87	7.87	7.87	7.61	7.34	7.08	6.82	6.56	6.30	6.03
					7.07	7.07	7.01	7.54	7.00	0.02	0.50	0.50	0.05

	A	AGE AT EXIT AGE NEXT BIRTHDAY ON ENTRY											
5		Mths	25 & less	26	27	28	29	30	31	32	33	34	35
	58	7	7.87	7.87	7.87	7.87	7.61	7.35	7.09	6.82	6.56	6.30	6.04
	58	8	7.88	7.88	7.88	7.88	7.62	7.35	7.09	6.83	6.57	6.30	6.04
	58	9	7.88	7.88	7.88	7.88	7.62	7.36	7.10	6.83	6.57	6.31	6.04
10	58	10	7.89	7.89	7.89	7.89	7.63	7.36	7.10	6.84	6.57	6.31	6.05
- 0	58	11	7.89	7.89	7.89	7.89	7.63	7.37	7.10	6.84	6.58	6.31	6.05
	59	0	7.90	7.90	7.90	7.90	7.90	7.63	7.37	7.11	6.84	6.58	6.32
	59	1	7.90	7.90	7.90	7.90	7.90	7.64	7.38	7.11	6.85	6.59	6.32
	59	2	7.91	7.91	7.91	7.91	7.91	7.64	7.38	7.12	6.85	6.59	6.33
15	59	3	7.91	7.91	7.91	7.91	7.91	7.65	7.38	7.12	6.86	6.59	6.33
	59	4	7.92	7.92	7.92	7.92	7.92	7.65	7.39	7.12	6.86	6.60	6.33
	59	5	7.92	7.92	7.92	7.92	7.92	7.66	7.39	7.13	6.86	6.60	6.34
	59	6	7.92	7.92	7.92	7.92	7.92	7.66	7.40	7.13	6.87	6.60	6.34
	59	7	7.93	7.93	7.93	7.93	7.93	7.66	7.40	7.14	6.87	6.61	6.34
20	59	8	7.93	7.93	7.93	7.93	7.93	7.67	7.40	7.14	6.87	6.61	6.35
	59	9	7.94	7.94	7.94	7.94	7.94	7.67	7.41	7.14	6.88	6.61	6.35
	59	10	7.94	7.94	7.94	7.94	7.94	7.67	7.41	7.15	6.88	6.62	6.35
	59	11	7.94	7.94	7.94	7.94	7.94	7.68	7.41	7.15	6.88	6.62	6.35
25	60 and over	0	7.95	7.95	7.95	7.95	7.95	7.95	7.68	7.42	7.15	6.89	6.62
	over												_

# SCHEDULE 4—MISCELLANEOUS AMENDMENTS

(Sec. 3)

# (1) Section 8 (Determination of members medically unfit)—

30 (a) Section 8 (1)—

Omit "2 members of the Police Medical Board have certified", insert instead "the Board (having regard to medical advice on the condition and fitness for employment of the member) has certified".

35 (b) Section 8 (2), (3)—

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After section 8 (1), insert:

- (2) The Board may certify that a member of the police force is incapable of discharging the duties of the member's office only if the member is incapable of discharging the duties of the office in the police force in which the member is then employed and also any other office in the police force—
  - (a) which is available to the member;
  - (b) which is not lower in rank than the office in which the member is then employed; and

- (c) in which it would be reasonable to expect the member to be employed.
- (3) In this section—

"medical advice" means the advice of-

- (a) 2 members of the Police Medical Board; or
- (b) any one or more medical practitioners nominated by the State Authorities Superannuation Board.
- (2) Section 10 (Superannuation allowance where member hurt on duty)—

Section 10 (1D)—

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After section 10 (1c), insert:

- (1D) The Board may-
- (a) make a determination at any time of an additional amount of a superannuation allowance under this section; and
- (b) vary any such determination at any time,

and may direct that the determination or variation take effect from such date as the Board considers appropriate.

- (3) Section 10B (Medical examination of disabled member and determination of whether hurt on duty)—
  - (a) Section 10B (1), (2) (b)—
- Omit "2 members of the Police Medical Board have certified" wherever occurring, insert instead "the Board (having regard to medical advice on the condition and fitness for employment of the member) has certified".
  - (b) Section 10B (2A)-(2C)-
- 25 After section 10B (2), insert:
  - (2A) The Board may certify that a member of the police force is incapable of discharging the duties of the member's office only if the member is incapable of discharging the duties of the office in the police force in which the member is then employed and also any other office in the police force—
    - (a) which is available to the member;
    - (b) which is not lower in rank than the office in which the member is then employed; and
    - (c) in which it would be reasonable to expect the member to be employed.

- (2B) The Board may certify that a former member of the police force would have been incapable of discharging the duties of the member's office if the member would have been incapable of discharging the duties of the office in the police force in which the member was employed at the time of the member's resignation or retirement and also any other office in the police force—
  - (a) which was available to the member at that time;
  - (b) which was not lower in rank than the office in which the member was then employed; and
  - (c) in which it would have been reasonable to expect the member to have been employed.
  - (2c) In this section—

"medical advice" means the advice of-

- (a) 2 members of the Police Medical Board; or
- (b) any one or more medical practitioners nominated by the State Authorities Superannuation Board.

## (4) Section 16—

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Omit the section, insert instead:

# Return to duty of discharged member in receipt of allowance

- 16. (1) Notwithstanding the payment of any superannuation allowance or gratuity under this Act, the Board may at any time require a former member of the police force who was discharged because of incapacity and who is in receipt of a superannuation allowance under section 7 or 10 to submit to a medical examination by 2 members of the Police Medical Board or other nominated medical practitioner or practitioners.
- (2) If the Board is satisfied, having regard to the advice of the persons who conducted the medical examination on the condition and fitness for employment of the former member, that the incapacity of the former member of the police force has ceased (or no longer precludes the former member from serving again in the police force in some position in which it would be reasonable for the former member to serve) the Board may, with the approval of the Commissioner of Police—
  - (a) cancel or suspend the superannuation allowance of the former member; and
  - (b) require the former member to serve again in the police force.

- (3) Unless the former member of the police force voluntarily agrees to serve again in the police force, the rank in which the former member is required to serve shall not be lower than the rank held by the former member before his or her discharge.
- (4) If the former member of the police force refuses to submit to a medical examination under this section or to serve again in the police force, the Board may cancel the superannuation allowance being paid to the former member.
- (5) Section 18B-

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10 After section 18A, insert:

# Payment without grant of probate etc.

- 18B. (1) Where a person dies and—
- (a) a gratuity is or becomes payable from the Fund in relation to the deceased;
- (b) production to the Board of probate of the will, or letters of administration of the estate, of the deceased has not been arranged; and
- (c) the Board has not, within the period of 3 months that next succeeds the death of the deceased, received a notice of intention to apply for a grant of probate of the will, or letters of administration of the estate, of the deceased,

the Board may, if it so decides, make a payment of the whole or a part of the gratuity in accordance with subsection (2), being a payment that does not exceed \$50,000 or, where some other amount is prescribed by the regulations for the purposes of this section, that other amount.

- (2) Where the Board makes a decision under subsection (1), the Board may—
  - (a) pay the whole or any part of the amount of the gratuity to an eligible person within the meaning of the Family Provision Act 1982;
  - (b) after paying the funeral expenses of the deceased or reimbursing a person who has paid those expenses—pay the whole or any part of the balance to a person referred to in paragraph (a); or
  - (c) in special circumstances, pay the whole or any part of the amount of the gratuity, or the balance referred to in paragraph (b), to some other person.

- (3) Where a member or former member of the police force dies and the Board is of the opinion that proceedings might be instituted under the Family Provision Act 1982 in relation to the estate, or notional estate, of the deceased, the Board may, despite any other provision of this Act, pay to the personal representatives of the deceased any gratuity that, but for this subsection, would have been paid to some other person.
- (6) Section 19A-

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After section 19, insert:

Gratuities payable by instalments

19A. A gratuity payable to a person under this Act may, with the concurrence of the person, be paid by instalments.

(7) Sections 20A, 20B (Appeals etc.)—
Omit the sections.

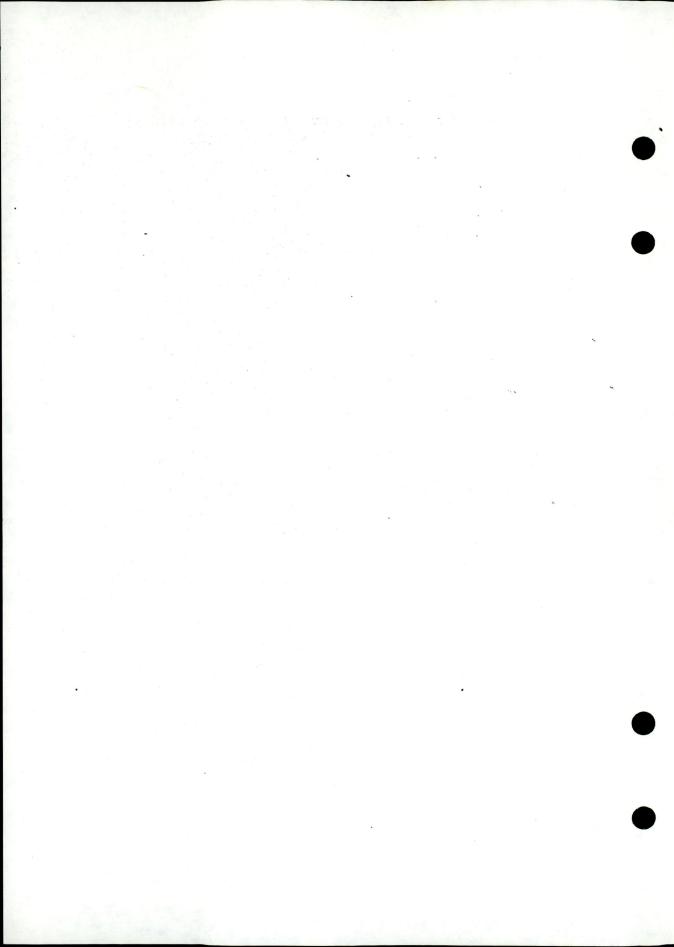
# POLICE REGULATION (SUPERANNUATION) AMENDMENT ACT 1987 No. 220

### **NEW SOUTH WALES**



### TABLE OF PROVISIONS

- 1. Short title
- 2. Commencement
- 3. Amendment of Act No. 28, 1906
- 4. Savings and transitional provisions
- SCHEDULE 1—AMENDMENT RELATING TO THE CLOSURE OF THE POLICE SUPERANNUATION FUND
- SCHEDULE 2—AMENDMENTS RELATING TO THE ADMINISTRATION OF THE POLICE SUPERANNUATION FUND
- SCHEDULE 3—AMENDMENTS RELATING TO BENEFITS PAYABLE FROM THE POLICE SUPERANNUATION FUND
- SCHEDULE 4—MISCELLANEOUS AMENDMENTS



# POLICE REGULATION (SUPERANNUATION) AMENDMENT ACT 1987 No. 220

### **NEW SOUTH WALES**



# Act No. 220, 1987

An Act to amend the Police Regulation (Superannuation) Act 1906 to close the Police Superannuation Fund to new contributors, to improve the benefits payable from that Fund to existing contributors and to change the administration of that Fund. [Assented to 9 December 1987]

### The Legislature of New South Wales enacts:

### **Short title**

1. This Act may be cited as the Police Regulation (Superannuation) Amendment Act 1987.

#### Commencement

- 2. (1) Subject to this section, this Act shall commence on a day or days to be appointed by proclamation.
- (2) Schedules 1 and 2, and section 3 in its application to those Schedules, shall commence on 1 April 1988.

### Amendment of Act No. 28, 1906

3. The Police Regulation (Superannuation) Act 1906 is amended as set out in Schedules 1-4.

## Savings and transitional provisions

- **4.** (1) The amendments made by this Act to sections 7AA, 8, 10B, 13 and 13A of the Police Regulation (Superannuation) Act 1906 do not apply to or in respect of a member of the police force who retired, was discharged or died (as the case requires) before the commencement of those amendments.
- (2) Section 9B of the Police Regulation (Superannuation) Act 1906 does not apply to a person who becomes entitled to a payment under section 17 of that Act before the commencement of section 9B.

# SCHEDULE 1—AMENDMENT RELATING TO THE CLOSURE OF THE POLICE SUPERANNUATION FUND

(Sec. 3)

### Section 1A-

Omit the section, insert instead:

## Closure of Fund to police employed on or after 1 April 1988

- 1A. This Act does not apply to or in respect of a member of the police force who becomes such a member on or after 1 April 1988, except—
  - (a) a retired or discharged member of the police force who is in receipt of a superannuation allowance under this Act and who serves again in the police force under section 16 or otherwise;

# SCHEDULE 1—AMENDMENT RELATING TO THE CLOSURE OF THE POLICE SUPERANNUATION FUND—continued

- (b) a former member of the police force who is a contributor to the Fund as a member of the Police Association of New South Wales and who serves again in the police force; and
- (c) a member of the police force of a class prescribed by the regulations.

# SCHEDULE 2—AMENDMENTS RELATING TO THE ADMINISTRATION OF THE POLICE SUPERANNUATION FUND

(Sec. 3)

- (1) Section 1 (Short title, commencement and interpretation)—
  - (a) Section 1 (2), definition of "Board"—

Omit the definition, insert instead:

- "Board" means the State Authorities Superannuation Board constituted by the Superannuation Administration Act 1987;
- (b) Section 1 (2), definitions of "secretary" and "State Compensation Board"—

Omit the definitions.

- (2) Part II (POLICE SUPERANNUATION BOARD)—
  Omit the Part.
- (3) Part IIA—

Before Part III, insert:

# PART IIA—POLICE SUPERANNUATION ADVISORY COMMITTEE

#### **Constitution of Committee**

- 2H. (1) There is constituted by this Act a Police Superannuation Advisory Committee.
  - (2) The Committee shall consist of 8 members, of whom—
    - (a) 1 shall be the Secretary of the New South Wales Superannuation Office, who shall be the Chairperson of the Committee; and
    - (b) the remainder shall be appointed by the Minister.
  - (3) Of the appointed members—
    - (a) 3 shall be persons nominated by the Police Association of New South Wales;

- (b) 1 shall be a person nominated by the Commissioned Officers' Branch of the Public Service Association of New South Wales;
- (c) 1 shall be a person nominated by the Board;
- (d) 1 shall be a person nominated by the State Compensation Board; and
- (e) 1 shall be a person nominated by the Minister for Police and Emergency Services.
- (4) Schedule 4 has effect with respect to the members and procedure of the Committee.

#### **Functions of Committee**

- 21. The functions of the Police Superannuation Advisory Committee are—
  - (a) to advise the Board on such matters relating to the administration of this Act as are referred to it by the Board;
  - (b) to advise the Commissioner of Police on such matters relating to the administration of section 12H of the Police Regulation Act 1899 (Special risk benefit where member hurt on duty) as are referred to it by the Commissioner of Police; and
  - (c) such other functions relating to the administration of this Act as are delegated to it by the Board.

## **Delegation to Committee**

- 2J. The Board may delegate to the Police Superannuation Advisory Committee any of its functions under this Act, other than this power of delegation.
- (4) Schedule 4—

After Schedule 3, insert:

# SCHEDULE 4—PROVISIONS RELATING TO MEMBERS AND PROCEDURE OF THE POLICE SUPERANNUATION ADVISORY COMMITTEE

(Sec. 2H (4))

#### **Definitions**

- 1. In this Schedule—
- "Committee" means the Police Superannuation Advisory Committee;

"member" means a member of the Committee.

### Age of appointed members

2. A person of or above the age of 70 years is not eligible to be appointed as a member.

## Terms of office of appointed members

3. Subject to this Schedule, an appointed member holds office for such period, not exceeding 5 years, as may be specified in the member's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.

## Remuneration of appointed members

4. An appointed member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the member.

# Vacancy in office of appointed member

- 5. (1) The office of an appointed member becomes vacant if the member—
  - (a) dies:
  - (b) completes a term of office and is not re-appointed;
  - (c) resigns the office by instrument in writing addressed to the Minister;
  - (d) is removed from office by the Minister under this clause;
  - (e) reaches the age of 70 years;
  - (f) becomes a temporary patient or a continued treatment patient within the meaning of the Mental Health Act 1958, a forensic patient within the meaning of the Mental Health Act 1983 or a protected person within the meaning of the Protected Estates Act 1983; or
  - (g) is convicted in New South Wales of an offence that is punishable by penal servitude or imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable.
- (2) The Minister may remove an appointed member from office at any time.

#### Filling of vacancy

6. If the office of an appointed member becomes vacant, a person shall, subject to this Act, be appointed to fill the vacancy.

#### Effect of certain other Acts

- 7. (1) The Public Service Act 1979 does not apply to the appointment of an appointed member and an appointed member is not, as such a member, subject to that Act.
  - (2) If by or under any other Act provision is made—
  - (a) requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office; or
  - (b) prohibiting the person from engaging in employment outside the duties of that office,

that provision does not operate to disqualify the person from holding that office and also the office of a member or from accepting and retaining any remuneration payable to the person under this Act as a member.

### **Deputies for members**

- 8. (1) The Minister may, from time to time, appoint a person to be the deputy of a member.
- (2) A deputy of a member may, in the absence of the member or during a vacancy in the office of the member, act in the office of the member and, while so acting, has all the functions of the member and shall be deemed to be a member.

### General procedure

9. The procedure for the calling of meetings of the Committee and for the conduct of business at those meetings shall, subject to this Act and the regulations, be as determined by the Committee.

#### **Ouorum**

10. The quorum for a meeting of the Committee is 5 members.

### Presiding member

11. The Chairperson of the Committee or, in the absence of the Chairperson and the deputy of the Chairperson, another member elected to chair the meeting by the members present shall preside at a meeting of the Committee.

#### Voting

12. A decision supported by a majority of the votes cast at a meeting of the Committee at which a quorum is present shall be the decision of the Committee.

# SCHEDULE 2—AMENDMENTS RELATING TO THE ADMINISTRATION OF THE POLICE SUPERANNUATION FUND— continued

#### **Minutes**

13. The Committee must cause full and accurate minutes to be kept of the proceedings of each meeting of the Committee.

#### First meeting

14. The Minister shall call the first meeting of the Committee.

# SCHEDULE 3—AMENDMENTS RELATING TO BENEFITS PAYABLE FROM THE POLICE SUPERANNUATION FUND

(Sec. 3)

(1) Section 7AA (Superannuation allowance on early retirement)—

Section 7AA (2), (2A)—

Omit section 7AA (2), insert instead:

(2) The annual superannuation allowance for a member of the police force who retires on or after reaching the age of 55 years and before reaching the age of 60 years is the amount calculated in accordance with the following formula:

$$P = \frac{0.02425}{12} \times S \times V \times \left[ 1 - \frac{0.04}{12} \times (720 - A) \right]$$

where-

- P represents the annual superannuation allowance payable;
- S represents the member's salary of office;
- V represents the number of months of service that has been completed by the member (subject to a maximum of 360);
- A represents the age of the member at the date of retirement (expressed in months).
- (2A) For the purposes of V and A in the formula in subsection (2), a part of a month of service or age shall be disregarded.
- (2) Section 8A—

After section 8, insert:

#### Disengagement benefit for members aged between 50-55 years

8A. (1) The Commissioner of Police may, if the Commissioner considers that it is in the interests of the police force to do so, offer a disengagement benefit under this section to any class of members of the police force (or any particular members of the police force).

- (2) A member of the police force is not eligible for a disengagement benefit under this section unless the member—
  - (a) is of or over 50 years of age but less than 55 years of age; and
  - (b) has served as a member of the police force for at least 30 years.
- (3) A disengagement benefit under this section is payable by the Commissioner of Police and is not payable from the Fund.
- (4) A member of the police force who accepts an offer of a disengagement benefit under this section shall be retired from the police force by the Commissioner of Police in accordance with the terms of the offer.
- (5) The disengagement benefit under this section is a gratuity calculated in accordance with the following formula:

$$L = \left(E \times \frac{S}{(S+P)}\right) \times 0.97^{(55-A)}$$

where-

- L represents the gratuity payable;
- E represents the lump sum that would have been payable if the member had continued as a member of the police force until the age of 55 years at the same salary of office and had commuted the superannuation allowance otherwise payable to the member;
- S represents the number of months of service that has been completed by the member;
- P represents the number of additional months of service that the member would have completed if the member had continued as a member of the police force until the age of 55 years;
- A represents the age in years of the member (including fractions of a year on a completed months' basis) at the date of retirement.
- (6) For the purposes of S and P in the formula in subsection (5), a part of a month of service shall be disregarded.
- (7) The acceptance of an offer under this section must be in writing in accordance with the terms of the offer.

- (8) The Commissioner of Police is not entitled to a disengagement benefit under this section.
- (9) Nothing in this section prevents a member of the police force who is offered a disengagement benefit from electing instead to make provision for the benefit provided by section 9B (Preserved benefit).

### (3) Section 9B—

After section 9A, insert:

#### Preserved benefit

- 9B. (1) A member of the police force who becomes entitled (not less than 3 years after last becoming such a member) to a payment under section 17 (Refund of deductions) may elect to make provision instead for the benefit provided by this section.
- (2) Where any such election made by a member of the police force takes effect, the member is not entitled to any payment under section 17.
- (3) The benefit provided by subsection (6) is payable by the Board from the Fund—
  - (a) when the former member reaches the age of 55 years;
  - (b) if, before reaching that age, the former member dies; or
  - (c) on the Board being satisfied that the former member is incapable, from an infirmity of mind or body, of being employed in any remunerative occupation in which, in the opinion of the Board, it would otherwise be reasonable to expect the former member to engage.
- (4) Subject to subsection (3), the benefit provided by subsection(6) is payable—
  - (a) except where the former member has died—to the former member;
  - (b) if the former member has died and is survived by a spouse—to the spouse; or
  - (c) if the former member has died but is not survived by a spouse—to the former member's personal representatives or (if appropriate) in accordance with section 18B.
- (5) The benefit provided by subsection (9) is payable by the Board from the Fund to the former member on the former member electing to take that benefit and the election taking effect—

- (a) after the election made under subsection (1) takes effect; and
- (b) before the benefit provided by subsection (6) becomes payable to, or in relation to, the former member.
- (6) The benefit provided by this subsection is a gratuity that is the greater of the following 2 amounts:
  - (a) the amount calculated by multiplying by 2.5 the amount that would have been payable under section 17 (Refund of deductions) if interest were not payable under that section;
  - (b) the amount calculated in accordance with the following formula:

$$L = \left(E \times \frac{S}{(S+P)}\right) \times 0.97^{(55-A)}$$

where—

L represents the gratuity payable;

- E represents the lump sum that would have been payable if the former member had continued as a member of the police force until the age of 55 years at the same salary of office and had commuted the superannuation allowance otherwise payable to the former member;
- S represents the number of months of service that has been completed by the former member;
- P represents the number of additional months of service that the former member would have completed if the former member had continued as a member of the police force until the age of 55 years;
- A represents the age in years of the former member (including fractions of a year on a completed months' basis) at the date the former member ceased to be a member.
- (7) When a benefit becomes payable under subsection (6) the amount of the gratuity as determined under that subsection shall be adjusted in accordance with the following formula:

$$L2 = L1 \times \frac{A}{B}$$

where-

L2 represents the amount of the gratuity as adjusted;

- L1 represents the amount of the gratuity before it is adjusted;
- A represents the index number in the Consumer Price Index (All Groups Index) for Sydney last published by the Australian Statistician before the date the gratuity becomes payable;
- B represents the index number in the Consumer Price Index (All Groups Index) for Sydney last published by the Australian Statistician before the date the election of the member under subsection (1) took effect.
- (8) For the purposes of S and P in the formula in subsection (6), a part of a month of service shall be disregarded.
- (9) The benefit provided by this subsection is a gratuity that is equal to the sum of—
  - (a) the amount of the payment under section 17 that would have been payable to the former member when he or she ceased to be a member if the former member had not made the election under subsection (1); and
  - (b) interest on the amount referred to in paragraph (a), from the date the former member ceased to be a member, at a rate determined by the Board.
- (10) An election under this section shall be in writing and made in such manner as the Board determines.
- (11) If the former member of the police force becomes entitled to a superannuation allowance under section 10—
  - (a) before a gratuity is paid under this section —the gratuity ceases to be payable and the member shall be paid the superannuation allowance under section 10; or
  - (b) after a gratuity is paid under this section—the amount of the gratuity shall be deducted from the superannuation allowance under section 10 in such instalments and at such times as the Board may determine.
- (12) If a person becomes entitled to a superannuation allowance under section 12 as a consequence of the death of the former member of the police force—
  - (a) before a gratuity becomes payable under this section—the gratuity ceases to be payable and the person shall be paid the superannuation allowance under section 12; or

- (b) after a gratuity is paid under this section— the amount of the gratuity shall be deducted from the superannuation allowance under section 12 in such instalments and at such times as the Board may determine.
- (13) In this section, "spouse" has the same meaning it has in section 13.
- (4) Section 10 (Superannuation allowance where member hurt on duty)—Section 10 (2)—

At the end of section 10, insert:

- (2) An annual superannuation allowance under this section shall not be payable to a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.
- (5) Section 10c (Redemption of superannuation allowance granted to disabled member)—

Section 10c (3)—

After section 10c (2), insert:

- (3) This section does not apply to a superannuation allowance that has been commuted under Division 3.
- (6) Section 11A (Grant of superannuation allowance to widow)—
  - (a) Section 11A (2) (a)— Omit "and".
  - (b) Section 11A (2) (a1)—

After section 11A (2) (a), insert:

- (a1) shall not be payable to the widow of a member of the police force who commuted his superannuation allowance under Division 3; and
- (7) Section 11c (Grant of superannuation allowance to dependent widower)—

Section 11c (3) (a1)—

After section 11c (3) (a), insert:

(a1) shall not be payable to a widower of a member of the police force who commuted her superannuation allowance under Division 3;

- (8) Section 12 (Superannuation allowance where member dies as a result of being hurt on duty)—
  - (a) Section 12 (1A), (1B)—

Omit "section 13 (2)" wherever occurring, insert instead "section 13".

(b) Section 12 (1D)—

After section 12 (1c), insert:

- (1D) An annual superannuation allowance under this section shall not be payable as a consequence of the death of a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.
- (9) Section 12A (Allowance in respect of certain children)—

Section 12A (2B)—

After section 12A (2A), insert:

- (2B) An allowance under this section shall not be payable as a consequence of the death of a former member of the police force who—
  - (a) commuted under Division 3 a superannuation allowance that previously became payable to the former member under this Act; or
  - (b) has been paid a disengagement benefit under section 8A.

#### (10) Section 13—

Omit the section, insert instead:

## Gratuity where deceased member not hurt on duty

- 13. (1) If a member of the police force dies otherwise than in the circumstances referred to in section 12, the Board shall pay—
  - (a) if the deceased member is survived by a spouse—to the deceased member's spouse; or
  - (b) if the deceased member is not survived by a spouse—to the personal representatives of the deceased member or (if appropriate) in accordance with section 18B,

a gratuity calculated in accordance with the following formula:

$$G = 0.01 \times (AS + AS + PS) \times S$$

where-

G represents the gratuity payable;

- AS represents the number of months of service that has been completed by the deceased member (subject to a maximum of 360);
- PS represents (in the case of a member dying before the age of 55 years) the number of additional months of service that the deceased member would have completed if the deceased member had reached the age of 55 years (subject to the maximum number necessary so that the total of AS + PS does not exceed 360);

S represents the member's salary of office at the date of death.

- (2) For the purposes of AS and PS in the formula in subsection (1), a part of a month of service shall be disregarded.
  - (3) In this section—
  - "spouse", in relation to a deceased member of the police force, means—
  - (a) if the deceased member was survived by a widow or widower—the widow or widower of the deceased member;
     or
  - (b) if the deceased member was not survived by a widow or widower—
    - (i) where the deceased member was a man and, at the time of his death, he was living with a woman as her husband on a bona fide domestic basis—the woman with whom he was so living; or
    - (ii) where the deceased member was a woman and, at the time of her death, she was living with a man as his wife on a bona fide domestic basis—the man with whom she was so living.

### (11) Section 13A—

Omit the section, insert instead:

# Gratuity where deceased member hurt on duty but left no dependants etc.

13A. If a member of the police force dies under circumstances referred to in section 12 but there is no person to whom a superannuation allowance may be paid under section 12, a gratuity shall be paid under section 13 to the personal representative of the deceased member or (if appropriate) in accordance with section 18B.

### (12) Part IV, Division 3—

After Division 2, insert:

# Division 3—Commutation of superannuation allowances to lump sum

#### **Definitions**

141. In this Division—

"disabled member of the police force" means a member of the police force who is discharged after being certified, pursuant to section 8 (1) or 10B (1), to be incapable, from an infirmity of mind or body, of discharging the duties of his or her office;

"salary of office" means-

- (a) in relation to a member of the police force who commutes a superannuation allowance under section 7—the salary of office of the member at the date of retirement or discharge; or
- (b) in relation to a member of the police force who commutes a superannuation allowance under section 7AA or 10—the salary of office of the member within the meaning of that section.

## Commutation on normal or early retirement of member

- 14J. (1) This section applies to a superannuation allowance payable—
  - (a) under section 7 (except where it is payable to a disabled member of the police force); or
  - (b) under section 7AA.
- (2) A person who becomes entitled after the commencement of this Division to a superannuation allowance to which this section applies may commute the whole of that allowance.

- (3) A person wishing to commute such a superannuation allowance must lodge the election to do so with the Board in the form and within the time required by the Board.
- (4) If such a superannuation allowance is commuted under this section, the lump sum payable from the Fund to the person who made the election shall be calculated by multiplying the salary of office of the person by the appropriate commutation factor listed in Schedule 3.

### Commutation on discharge of disabled member

- 14K. (1) This section applies to a superannuation allowance payable to a disabled member of the police force under—
  - (a) section 7; or
  - (b) section 10.
- (2) A person who is entitled to a superannuation allowance to which this section applies may, after reaching the age of 60 years at any time after the commencement of this Division, commute the whole of that allowance.
- (3) A person wishing to commute such a superannuation allowance must lodge the election to do so with the Board in the form and within the time required by the Board.
- (4) If such a superannuation allowance is commuted under this section, the lump sum payable from the Fund to the person who made the election shall be calculated by multiplying the annual superannuation allowance payable at the time the election takes effect by 10.92.

## Payment of lump sum to personal representatives

14L. If an election under this section takes effect and the person who made the election dies before any lump sum payable pursuant to the election is paid to the person, the Board shall pay the lump sum to the person's personal representatives or, if appropriate, in accordance with section 18B.

#### (13) Schedule 3—

Omit the Schedule, insert instead:

# **SCHEDULE 3**

# LUMP SUM BENEFITS FOR NORMAL OR EARLY RETIREMENT—COMMUTATION FACTORS (MULTIPLES OF FINAL SALARY)

AGE AT		AGE NEXT BIRTHDAY ON ENTRY											
EXIT Yrs M		26	27	28	29	30	31	32	33	34	35		
55 (55 55 55 55 55 55 55 55 55 55 55 55	7.59 7.60 7.61 7.62 7.63 7.63 7.64 7.65	7.33 7.34 7.35 7.36 7.36 7.37 7.38 7.39 7.40 7.41	7.08 7.09 7.09 7.10 7.11 7.12 7.13 7.13 7.14 7.15 7.15	6.83 6.83 6.84 6.85 6.86 6.86 6.87 6.88 6.88 6.89 6.90	6.57 6.58 6.59 6.59 6.60 6.61 6.62 6.62 6.63 6.64 6.64	6.32 6.33 6.33 6.34 6.35 6.35 6.36 6.37 6.37 6.38 6.39	6.07 6.07 6.08 6.09 6.10 6.11 6.11 6.12 6.13	5.81 5.82 5.83 5.83 5.84 5.85 5.85 5.86 5.86 5.87 5.88	5.56 5.57 5.57 5.58 5.59 5.60 5.60 5.61 5.62 5.62	5.31 5.32 5.32 5.33 5.33 5.34 5.34 5.35 5.35 5.36 5.37	5.06 5.06 5.07 5.07 5.08 5.08 5.09 5.09 5.10 5.11 5.11		
55 1 56 0 56 2 56 3 56 3	1 7.67 7.68 7.69 7.70 7.70 7.71 7.72 7.72 7.73 7.74 7.74 7.74 7.74 7.75	7.42 7.68 7.69 7.70 7.71 7.72 7.72 7.73 7.74 7.74 7.75 7.76	7.16 7.42 7.43 7.44 7.45 7.45 7.46 7.47 7.47 7.48 7.49 7.50	6.91 7.17 7.18 7.18 7.19 7.20 7.20 7.21 7.22 7.22 7.23 7.23 7.24	6.65 6.91 6.92 6.93 6.93 6.94 6.95 6.96 6.96 6.96 6.97 6.98	6.39 6.66 6.66 6.67 6.68 6.69 6.70 6.71 6.71 6.72 6.72	6.14 6.40 6.41 6.41 6.42 6.42 6.43 6.44 6.45 6.45 6.46 6.47	5.88 6.14 6.15 6.16 6.17 6.17 6.18 6.18 6.19 6.20 6.20 6.21	5.63 5.89 5.89 5.90 5.91 5.92 5.92 5.93 5.93 5.94 5.94 5.95	5.37 5.63 5.64 5.64 5.65 5.65 5.66 5.67 5.67 5.68 5.68 5.68	5.12 5.38 5.38 5.39 5.39 5.40 5.40 5.41 5.41 5.42 5.42 5.43 5.43		
57 (C) 57 1 57 2 57 3 57 3 57 5 57 6 57 7 57 8 57 8 57 1	7.77 7.78 7.78 7.79 7.80 7.80 7.80 7.81 7.81 7.81 7.82 7.83	7.76 7.77 7.78 7.78 7.79 7.80 7.80 7.81 7.81 7.82 7.83 7.83	7.76 7.77 7.78 7.79 7.80 7.80 7.81 7.81 7.82 7.83 7.83	7.51 7.51 7.52 7.52 7.53 7.54 7.55 7.55 7.56 7.57	7.25 7.25 7.26 7.26 7.27 7.28 7.29 7.29 7.30 7.30 7.31	6.99 6.99 7.00 7.01 7.01 7.02 7.02 7.03 7.03 7.04 7.04 7.05	6.73 6.73 6.74 6.75 6.75 6.76 6.76 6.77 6.78 6.78 6.79	6.47 6.48 6.48 6.49 6.50 6.50 6.51 6.51 6.52 6.52 6.53	6.21 6.22 6.23 6.23 6.24 6.24 6.25 6.25 6.26 6.26 6.27	5.95 5.96 5.96 5.97 5.97 5.98 5.99 5.99 6.00 6.00	5.69 5.70 5.70 5.71 5.71 5.72 5.72 5.73 5.73 5.73 5.74 5.74		
58 0 58 1 58 2 58 3 58 4 58 5 58 6	7.84 7.85 7.85 7.86 7.86	7.84 7.84 7.85 7.85 7.86 7.86 7.87	7.84 7.84 7.85 7.85 7.86 7.86 7.87	7.84 7.84 7.85 7.85 7.86 7.86 7.87	7.58 7.58 7.59 7.59 7.60 7.60 7.61	7.31 7.32 7.32 7.33 7.33 7.34 7.34	7.05 7.06 7.06 7.07 7.07 7.08 7.08	6.79 6.80 6.80 6.81 6.81 6.82 6.82	6.53 6.54 6.54 6.55 6.55 6.55	6.27 6.28 6.28 6.29 6.29 6.30	6.01 6.01 6.02 6.02 6.03 6.03		

Police Regulation (Superannuation) Amendment 1987

AGE AT		AGE NEXT BIRTHDAY ON ENTRY											
EX Yrs	Mths	25 & less	26	27	28	29	30	31	32	33	34	35	
58	7	7.87	7.87	7.87	7.87	7.61	7.35	7.09	6.82	6.56	6.30	6.04	
58	8	7.88	7.88	7.88	7.88	7.62	7.35	7.09	6.83	6.57	6.30	6.04	
58	9	7.88	7.88	7.88	7.88	7.62	7.36	7.10	6.83	6.57	6.31	6.04	
58	10	7.89	7.89	7.89	7.89	7.63	7.36	7.10	6.84	6.57	6.31	6.05	
58	11	7.89	7.89	7.89	7.89	7.63	7.37	7.10	6.84	6.58	6.31	6.05	
59	0	7.90	7.90	7.90	7.90	7.90	7.63	7.37	7.11	6.84	6.58	6.32	
59	1	7.90	7.90	7.90	7.90	7.90	7.64	7.38	7.11	6.85	6.59	6.32	
59	2	7.91	7.91	7.91	7.91	7.91	7.64	7.38	7.12	6.85	6.59	6.33	
59 -	3	7.91	7.91	7.91	7.91	7.91	7.65	7.38	7.12	6.86	6.59	6.33	
59	4	7.92	7.92	7.92	7.92	7.92	7.65	7.39	7.12	6.86	6.60	6.33	
59	5	7.92	7.92	7.92	7.92	7.92	7.66	7.39	7.13	6.86	6.60	6.34	
59	6	7.92	7.92	7.92	7.92	7.92	7.66	7.40	7.13	6.87	6.60	6.34	
59	7	7.93	7.93	7.93	7.93	7.93	7.66	7.40	7.14	6.87	6.61	6.34	
59	8	7.93	7.93	7.93	7.93	7.93	7.67	7.40	7.14	6.87	6.61	6.35	
59	9	7.94	7.94	7.94	7.94	7.94	7.67	7.41	7.14	6.88	6.61	6.35	
59	10	7.94	7.94	7.94	7.94	7.94	7.67	7.41	7.15	6.88	6.62	6.35	
59	11	7.94	7.94	7.94	7.94	7.94	7.68	7.41	7.15	6.88	6.62	6.35	
60	0	7.95	7.95	7.95	7.95	7.95	7.95	7.68	7.42	7.15	6.89	6.62	
and over													

### SCHEDULE 4—MISCELLANEOUS AMENDMENTS

(Sec. 3)

# (1) Section 8 (Determination of members medically unfit)—

(a) Section 8 (1)—

Omit "2 members of the Police Medical Board have certified", insert instead "the Board (having regard to medical advice on the condition and fitness for employment of the member) has certified".

(b) Section 8 (2), (3)—

After section 8 (1), insert:

- (2) The Board may certify that a member of the police force is incapable of discharging the duties of the member's office only if the member is incapable of discharging the duties of the office in the police force in which the member is then employed and also any other office in the police force—
  - (a) which is available to the member;
  - (b) which is not lower in rank than the office in which the member is then employed; and

- (c) in which it would be reasonable to expect the member to be employed.
- (3) In this section—

"medical advice" means the advice of—

- (a) 2 members of the Police Medical Board; or
- (b) any one or more medical practitioners nominated by the State Authorities Superannuation Board.
- (2) Section 10 (Superannuation allowance where member hurt on duty)—

Section 10 (1D)—

After section 10 (1c), insert:

- (1D) The Board may—
- (a) make a determination at any time of an additional amount of a superannuation allowance under this section; and
- (b) vary any such determination at any time,

and may direct that the determination or variation take effect from such date as the Board considers appropriate.

- (3) Section 10B (Medical examination of disabled member and determination of whether hurt on duty)—
  - (a) Section 10B (1), (2) (b)—

Omit "2 members of the Police Medical Board have certified" wherever occurring, insert instead "the Board (having regard to medical advice on the condition and fitness for employment of the member) has certified".

(b) Section 10B (2A)-(2C)-

After section 10B (2), insert:

- (2A) The Board may certify that a member of the police force is incapable of discharging the duties of the member's office only if the member is incapable of discharging the duties of the office in the police force in which the member is then employed and also any other office in the police force—
  - (a) which is available to the member;
  - (b) which is not lower in rank than the office in which the member is then employed; and
  - (c) in which it would be reasonable to expect the member to be employed.

- (2B) The Board may certify that a former member of the police force would have been incapable of discharging the duties of the member's office if the member would have been incapable of discharging the duties of the office in the police force in which the member was employed at the time of the member's resignation or retirement and also any other office in the police force—
  - (a) which was available to the member at that time;
  - (b) which was not lower in rank than the office in which the member was then employed; and
  - (c) in which it would have been reasonable to expect the member to have been employed.
  - (2c) In this section—

"medical advice" means the advice of-

- (a) 2 members of the Police Medical Board; or
- (b) any one or more medical practitioners nominated by the State Authorities Superannuation Board.

### (4) Section 16—

Omit the section, insert instead:

# Return to duty of discharged member in receipt of allowance

- 16. (1) Notwithstanding the payment of any superannuation allowance or gratuity under this Act, the Board may at any time require a former member of the police force who was discharged because of incapacity and who is in receipt of a superannuation allowance under section 7 or 10 to submit to a medical examination by 2 members of the Police Medical Board or other nominated medical practitioner or practitioners.
- (2) If the Board is satisfied, having regard to the advice of the persons who conducted the medical examination on the condition and fitness for employment of the former member, that the incapacity of the former member of the police force has ceased (or no longer precludes the former member from serving again in the police force in some position in which it would be reasonable for the former member to serve) the Board may, with the approval of the Commissioner of Police—
  - (a) cancel or suspend the superannuation allowance of the former member; and
  - (b) require the former member to serve again in the police force.

- (3) Unless the former member of the police force voluntarily agrees to serve again in the police force, the rank in which the former member is required to serve shall not be lower than the rank held by the former member before his or her discharge.
- (4) If the former member of the police force refuses to submit to a medical examination under this section or to serve again in the police force, the Board may cancel the superannuation allowance being paid to the former member.

### (5) Section 18B—

After section 18A, insert:

### Payment without grant of probate etc.

- 18B. (1) Where a person dies and—
- (a) a gratuity is or becomes payable from the Fund in relation to the deceased;
- (b) production to the Board of probate of the will, or letters of administration of the estate, of the deceased has not been arranged; and
- (c) the Board has not, within the period of 3 months that next succeeds the death of the deceased, received a notice of intention to apply for a grant of probate of the will, or letters of administration of the estate, of the deceased,

the Board may, if it so decides, make a payment of the whole or a part of the gratuity in accordance with subsection (2), being a payment that does not exceed \$50,000 or, where some other amount is prescribed by the regulations for the purposes of this section, that other amount.

- (2) Where the Board makes a decision under subsection (1), the Board may—
  - (a) pay the whole or any part of the amount of the gratuity to an eligible person within the meaning of the Family Provision Act 1982;
  - (b) after paying the funeral expenses of the deceased or reimbursing a person who has paid those expenses—pay the whole or any part of the balance to a person referred to in paragraph (a); or
  - (c) in special circumstances, pay the whole or any part of the amount of the gratuity, or the balance referred to in paragraph (b), to some other person.

(3) Where a member or former member of the police force dies and the Board is of the opinion that proceedings might be instituted under the Family Provision Act 1982 in relation to the estate, or notional estate, of the deceased, the Board may, despite any other provision of this Act, pay to the personal representatives of the deceased any gratuity that, but for this subsection, would have been paid to some other person.

### (6) Section 19A—

After section 19, insert:

## Gratuities payable by instalments

19A. A gratuity payable to a person under this Act may, with the concurrence of the person, be paid by instalments.

(7) Sections 20A, 20B (Appeals etc.)—Omit the sections.