

## **POLICY NOTE**

### **THE LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2015**

#### **SSI 2015 No. 87**

#### 1. Purpose of the instrument

This instrument amends the Local Government Pension Scheme (Scotland) 2014 Regulations (SSI 2014/164) and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) (Scotland) Regulations 2014 (SSI 2014/233) which come into force on 1 April 2015.

These changes have arisen as the UK Government continues to reform public sector pensions provision and following those policy changes. We have also been working with stakeholders to identify areas in the 2014 regulations which require clarification. These amending regulations are the product of that work and reflect policy developments, including the flexibilities available as part of the Finance Act 2014.

These changes will provide those clarifications and will therefore improve efficiency in the administration of the scheme. They will not affect the operation of the scheme or the benefits payable to members.

#### 2. Legislative context

2.1 The Independent Public Service Pensions Commission recommended a number of changes to public sector schemes in order to ensure long term sustainability as well as a more balanced distributions of costs between members, employers and the tax payer.

2.2 This instrument introduces further changes including, changes to provide for the new shared parental leave, changes to allow the current Additional voluntary contributions contracts to continue in the new scheme, automatic aggregation of previous service in the new scheme (except where a member opts-out of this arrangement), change the normal pension age for ill-health benefits to 65 or Normal Pension Age and updating references to refer to the new Finance Act 2014.

2.3 Regulations to introduce same sex marriage and the transgender exception will follow in an affirmative SSI.

#### 3. Territorial Extent and Application

This instrument applies to Scotland

#### 4. Policy Objectives

4.1 The Regulations introduce amendments to the Local Government Pension Scheme (LGPS) in Scotland to ensure that they continue to provide valued benefits for scheme members, and are affordable, sustainable and fair to employers, scheme members and tax payers.

4.2 The objectives for the reform of the LGPS were to ensure the sustainability of the scheme by encouraging existing members remain in the scheme and non-members to join. Levels of contribution rates which will ensure protection of the lowest paid within the workforce and to continue to provide quality benefits to scheme members.

#### 5. Consultation

An informal consultation with those stakeholders who administer the scheme was carried out but due to the highly technical and remedial nature of the amendments, and because no change of policy was involved, a formal consultation was not thought necessary.

#### 6. Impact Assessment

These Regulations have no new impact on business or the voluntary sector as they are amending Regulations to improve administration of the scheme and to implement other government policies.

#### 7. Contact

If you have any queries regarding this instrument, please contact Kimberly Linge at the Scottish Public Pensions Agency;  
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Scottish Public Pensions Agency  
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