

POLICY NOTE

THE LOCAL GOVERNMENT PENSION SCHEME (MISCELLANEOUS AMENDMENTS) (SCOTLAND) AMENDMENT REGULATIONS 2019

SSI 2019/204

The above instrument was made in exercise of the powers conferred by section 7 of the Superannuation Act 1972 (“the 1972 Act”) and sections 1, 2 and 3 and schedule 2, paragraph 3(b) of the Public Service Pensions Act 2013 (“the 2013 Act”). The instrument is subject to negative procedure.

Purpose of the instrument. These Regulations provide that the entitlement to retire after reaching the age of 55 also applies to deferred pension members and change the requirements for co-habiting partner pensions in the scheme. They also correct inaccurate references and ensure that the provisions in the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 continue to have effect in the 2018 scheme.

Policy Objectives

These regulations deliver improvements to the administration of the scheme, taking into account the application of the principal 2018 Regulations where areas for clarification have been sought or a change in approach has been requested.

Consultation

To comply with the requirements of Section 21 of the Public Service Pensions Act 2013, the Scottish Public Pensions Agency conducted a twelve week consultation which was circulated to interested parties via email on the 18 December 2018 until the 11 March 2019. The consultation received 13 responses. These included suggestions to simplify administration of the scheme and to clarify wording.

A full list of those consulted and who agreed to the release of this information is attached to the consultation report published on the Scottish Government website¹. It includes extending the pensions flexibility which introduced an option to take an 'Uncrystallised Funds Pension Lump Sum' (UFPLS) from a member's AVC provider, currently only available to current members, to members of previous schemes.

Also changes which re-instate the wording that requires employers to use the full unreduced pensionable pay when calculating ill-health benefits after a member reduces their hours due to ill-health. This change is backdated to the 2014 regulations which came into force on 1 April 2015.

In response to requests from stakeholders, changes have been introduced requiring pension contributions to be paid automatically for the first 30 days of an absence, to ensure that members do not lose pension benefits and to assist in the administration of the Scheme.

¹ <https://pensions.gov.scot/local-government/scheme-governance-and-legislation/consultations>

Impact Assessments

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 UK government policies.

Financial Effects

These Regulations have had no new Business and Regulatory Impact Assessment (BRIA) carried out upon on them as the financial aspects of these regulations remain unchanged.

Scottish Ministers confirm that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

Scottish Public Pensions Agency
An Agency of the Scottish Government

June 2019