

SCHEDULE 1
SCOTTISH PARLIAMENTARY PENSION SCHEME

PART J

SURVIVING PARTNERS AND CHILDREN

CHAPTER 3

CHILDREN'S PENSIONS

Children's pensions

- 62 (1) A pension (a “children’s pension”) is to be paid in respect of any period during which there are eligible children of any scheme member who dies.
- (2) The annual children’s pension so payable is—
- (a) when a partner’s pension is also payable, amount A,
 - (b) when no partner’s pension is payable, amount B.
- (3) Amount A is—
- (a) where there is one eligible child, 1/4 of the deceased’s scheme pension entitlement,
 - (b) where there are two or more eligible children, 3/8ths of deceased’s scheme pension entitlement.
- (4) Amount B is—
- (a) where there is one eligible child entitled to receive the pension, 5/16ths of the deceased’s scheme pension entitlement,
 - (b) where there are two or more eligible children entitled to receive the pension, 5/8ths of deceased’s scheme pension entitlement.

Eligible children

- 63 (1) A “child”, in relation to a deceased individual, includes—
- (a) an adopted child, and
 - (b) a stepchild who, when the deceased died, was—
 - (i) financially dependant on the deceased, or
 - (ii) dependant on the deceased because of physical or mental impairment.
- (2) A deceased’s child is an “eligible child” for any period starting on or after the date of the deceased’s death during which any of the following conditions are met—

Condition 1

The child is born and aged 17 or under.

Condition 2

The child—

- (a) is aged over 17 but under 23,
- (b) was, when the deceased died—
 - (i) financially dependant on the deceased, or

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- (ii) aged 17 or under, and
- (c) would, in the opinion of the Fund trustees, be financially dependant on the deceased had the deceased survived.
- Condition 3*
- The child—
- (a) was dependant on the deceased because of physical or mental impairment when he or she died, and
- (b) would, in the opinion of the Fund trustees, still be so dependant had the deceased survived.
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Payment of children's pension

- 64 (1) A children's pension is payable—
- (a) from the start of the first period in respect of which rule 62(1) requires it to be paid, and
- (b) during the rest of that period (and any subsequent period in respect of which that rule requires it to be paid).
- (2) It is for the Fund trustees to decide to who a children's pension (or any part of it) is to be paid.
- (3) Where a children's pension (or any part of it) is paid to a person other than the eligible children in respect of whom it is paid (the "intended beneficiaries"), the recipient must—
- (a) apply such proportion of the amount paid as the Fund trustees may direct for the benefit of each intended beneficiary, or
- (b) where no direction is made, apply the amount paid (without discretion) for the benefit of the intended beneficiaries.
- (4) If the recipient does not so apply a pensions payment (or any part of it), the Fund trustees may—
- (a) recover the misappropriated amount from the recipient, and
- (b) take such action as they think fit in order to ensure that any recovered amount is applied for the benefit of the intended beneficiary.

For example, the Fund trustees may deduct an amount equal to the misappropriated amount from any future amount to be paid to the recipient under the scheme.

- (5) The Fund trustees may withhold payment of a children's pension (or any part of it) if they are not satisfied that arrangements are in place to ensure that it will be applied for the benefit of the intended beneficiary.

Any withheld amounts are to be paid as soon as the Fund trustees are satisfied that such arrangements are in place.

- (6) Pension payments need not begin unless the Fund trustees have received—
- (a) notice of an eligible child's entitlement, and
- (b) such information as they may reasonably require—
- (i) about the eligible child's entitlement to any other pension,
- (ii) to calculate their liability for a lifetime allowance charge or any other tax,

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(iii) to make the payments.

This rule does not affect the date from which a children's pension is payable.

(7) Pension payments are to be made monthly in arrears (or in other instalments of no longer than one year as the Fund trustees may determine).