

EXECUTIVE NOTE

THE TEACHERS' SUPERANNUATION (SCOTLAND) AMENDMENT (No.2) REGULATIONS 2006 SSI 2006/605

The above instrument is made in exercise of the powers conferred by sections 9, 12 and 24 of the Superannuation Act 1972. These powers have been transferred to the Scottish Ministers by virtue of the Scotland Act 1998 (Transfer of Functions to the Scottish Ministers etc.) Order 1999 (S.I. 1999/1750). The instrument is subject to negative resolution procedure.

Policy Objectives

This instrument makes further amendments to the Teachers' Superannuation (Scotland) Regulations 2005 ("the 2005 Regulations"), the Teachers (Compensation for Premature Retirement and Redundancy) (Scotland) Regulations 1996 ("the 1996 Regulations") and the Teachers' Superannuation (Additional Voluntary Contributions) (Scotland) Regulations 1995 ("the 1995 Regulations").

- Regulation C2 of the 2005 Regulations, which allows a teacher aged 50 or above whose salary is reduced or who takes up employment at a lower salary to elect that contributions should continue to be paid on the salary before the reduction, is amended so that it only applies where the reduction in salary, or the taking up of employment at a lower salary, occurs before 2nd December 2006.
- Regulation E23 of the 2005 Regulations is amended so that where a pension is commuted in exceptional circumstances of serious ill-health the whole pension, rather than so much of it as exceeds the teacher's guaranteed minimum, is commuted. This amendment has effect from 14th June 2006, which is the date that the Occupational Pension Schemes (Contracting-out) (Amendment) Regulations 2006 came into force.
- The 1996 Regulations are amended to provide for the retention of the maximum amount of discretionary severance compensation at 66 weeks' pay but to remove the requirement for the amount of compensation to be based on age and service. These amendments have effect from 2nd December 2006.
- The 1995 Regulations are amended to allow scheme members to transfer out their Additional Voluntary Contributions (AVC) fund independently of main scheme benefits.

Consultation

The amendments made by this instrument have been the subject of consultation with local authorities and other employers of teachers and lecturers, with representatives of teachers, and with other Government Departments. Respondee were either supportive of the changes or had no comment.

Financial effects

This Instrument has no impact on business, charities or voluntary bodies and no Regulatory Impact Assessment is required.

Contact

Mrs Christine Marr at the Scottish Public Pensions Agency
Tel 01896 893225 or by email: Christine.marr@scotland.gsi.gov.uk