

EXECUTIVE NOTE

THE LOCAL GOVERNMENT (DISCRETIONARY PAYMENTS AND INJURY BENEFITS) (SCOTLAND) AMENDMENT REGULATIONS 2006 - SSI/2006/609

The above instrument is made in exercise of the powers conferred by sections 7, 12 and 24 of the Superannuation Act 1972. These powers have been executively devolved 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 amendments to the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 in accordance with regulation 2 of these Regulations.

The Regulations remove the formula that currently determines, upon the basis of age and service, the level of discretionary lump sum compensation that can be provided in the case of early retirement on grounds of efficiency or redundancy, but there is no change in the maximum limit that can be awarded, which remains at 66 weeks pay. The circumstances under which payments may be made and the level of such payments will be a matter of policy on the part of the employer. The Regulations also remove some age and service related pre-conditions for the payment of compensation.

The opportunity has also been taken to remove references to the Redundancy Payments Pensions Regulations 1965, which have been revoked.

Consultation

A consultation exercise was conducted from 16 October to 15 November 2006. This included consultation with local authorities, with employer and employee representatives, and with other Government Departments. Responses were received from COSLA, the Scottish Environment Protection Agency, the City of Edinburgh Council and the Local Government Employers' organisation in England and Wales. There were no significant comments on the policy objectives. Technical points were taken into account when the Regulations were finalised.

Financial effects

There is no expectation that employers' staff compensation costs would rise as a result of the new Regulations, which are not materially different from those currently in force. A Regulatory Impact Assessment is not required in this case.

Scottish Public Pensions Agency
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