

POLICY NOTE TO
THE NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME ETC.
(MISCELLANEOUS AMENDMENTS) (SCOTLAND) REGULATIONS 2013

S.S.I. 2013/109

These Regulations are made in exercise of the powers conferred by sections 10 and 12 of, and Schedule 3 to, the Superannuation Act 1972. They are subject to the negative procedure.

Policy Objectives

The Regulations make changes to the NHS Superannuation Scheme for Scotland, as set out in the National Health Service Superannuation Scheme (Scotland) Regulations 2011 and the National Health Service Pension Scheme (Scotland) Regulations 2008, and also to the National Health Service (Scotland) (Injury Benefits) Regulations 1998.

The Regulations make the following changes to the scheme:

1. Provision for auto-enrolment in consequence of the UK Government's introduction of "auto enrolment" of staff into pension schemes by employers from 1 October 2012 under the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010. Automatic enrolment affects all employers and all pension arrangements, over a 'staging period', beginning with the largest employers on 1 October 2012 and ending with employers of fewer than 50 persons (and new employers) on 1 February 2018. The first NHS employers in Scotland affected have a 'staging date' of 1 January 2013. This requires automatic-enrolment of all employees over relevant age and earnings criteria in a pension scheme which is compliant with the above legislation from the employers 'staging date'. Affected employees may opt out of the automatic enrolment scheme under the relevant provisions, and if they do so within the first month will be treated as if they had never joined. However, employers must automatically re-enrol eligible employees who opt out, at three-yearly intervals.
2. Changes resulting from the UK Public Service Pensions Bill which proposes a new mechanism to address variations in scheme costs (an employer cost cap). To support this, a requirement would be placed on schemes to conduct actuarial valuations in accordance with HM Treasury directions. The current regulations covering cost sharing and scheme valuations therefore are no longer relevant and have either been deleted or amended as applicable.
3. Redundancy arrangements - there is currently an option for the employer to pay the capitalised costs by making five equal annual instalments. However, as this is rarely utilised, this option is withdrawn with effect from 1 April 2013. Clarification that payments made by employers should be in accordance within the member's Terms and Conditions of employment has also been included.
4. Other amendments correct minor errors or clarify matters. In addition, some minor changes are made to the NHS Injury Benefits Regulations in consequence of the recent UK review of those Regulations (as amended by the National Health Service (Scotland) (Injury Benefits) Amendment Regulations 2013 (S.S.I. 2013/52)).

Consultation

A public consultation on a draft of these Regulations took place from 14 December 2012 to 25 January 2013. In particular, representatives of NHS employers and employees, other Scottish Government interests and UK Government departments were consulted. A report on the consultation will be published on the SPPA website. No changes were needed as a result of the consultation. However, some adjustments were made to improve clarity and correct minor errors. In addition, minor changes are made to the National Health Service (Scotland) (Injury Benefits) Regulations 1998 in consequence of the recent UK review.

Impact Assessments

No equality impact assessment has been carried out on this instrument as the changes are not considered to have any equality impact. The majority of changes are required as a result of over-riding UK legislation and other changes make corrections to or provide clarity on existing provisions.

Financial Effects

No business and regulatory impact assessment has been prepared for the Regulations as no impact upon business, charities or voluntary bodies is foreseen.

SPPA
Scottish Government
25 March 2013