

POLICY NOTE

THE NATIONAL HEALTH SERVICE PENSION SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2016

S.S.I. 2016 No. 97

The above instrument was made in the exercise of powers conferred by section 1(1) and (2)(e) of, and paragraph 5(b) of Schedule 2 to, the Public Service Pensions Act 2013 (“the Act”). The instrument is subject to negative procedure.

Policy Objectives

The National Health Service Pension Scheme (Scotland) Regulations 2015 (SSI 2015/94) require that members of the NHS Pension Scheme pay contributions to the Scheme as a condition of membership.

This instrument makes changes to the salary/earnings bands of the employee contribution tables in these Regulations. It was agreed during scheme reform discussions the employee contribution rates for period 1 April 2015 to 31 March 2019 would not change however this was on the basis that the pay/earnings bands set out in each tier would increase each year in line with national NHS pay awards in Scotland. The aim is to ensure that the tiering remains in line with annual increases in members pay. This SSI will therefore insert into the Regulations a revised employee contribution table to reflect the pay uplift from 1 April 2015. The revised table will be applicable with retrospective effect from 1 April 2015 for officer members changing employment within the scheme year 2015/2016, new starters, practitioners and non GP partners whose contributions which are based on current year income. For all other members the revised bandings will be applied from 1 April 2016.

This instrument also makes a number of minor amendments, including amendments to meet points made by the Delegated Powers and Law Reform Committee in its 18th Report of 2015.

Additional Information

In terms of section 22 of the Act, the Scottish Ministers are required to provide a report to the Parliament where they propose to make regulations changing (prior to 31st March 2040) a protected element of the scheme. Section 22(5) of the Act lists members’ contribution rates as one of the “protected elements”. This report was laid before the Scottish Parliament on 28th January 2016.

Consultation

To comply with the requirements of the Act, a formal policy consultation took place from 20 October 2015 to 4 December 2015. In particular, representatives of NHS employers and employees, other Scottish Government interests and UK Government departments were consulted. 20 responses to the consultation were received but none of direct consequence. A summary of responses will be available on the SPPA website at www.sppa.gov

Impact Assessments

An equality impact statement in respect of the NHS Pension Scheme (Scotland) reforms was prepared and is available at <http://www.gov.scot/Publications/2015/03/2855>

Financial Effects

The increase in pay bands on which contributions for members are based is beneficial to members.

Business and Regulatory Impact Assessment

No Business and Regulatory Impact Assessment is necessary as the instrument has no financial effects on the Scottish Government, local government or business.

Scottish Public Pensions Agency
An Agency of the Scottish Government
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