

## **POLICY NOTE**

### **THE POLICE PENSION SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2017**

#### **SSI 2017/387**

The above instrument was made in exercise of the powers conferred by section 1(1) and (2)(g) of, and paragraph 7(b) of Schedule 2 to, the Public Service Pensions Act 2013 (“the 2013 Act”). The instrument is subject to negative procedure.

#### **Policy Objective**

The purpose of this instrument is to bring into force amendments to the Police Pension Scheme (Scotland) Regulations 2015.

The Police Service of Scotland’s staging date under Automatic Enrolment legislation was 1 October 2017. This instrument makes additional provision covering scheme membership following enrolment and the application of exceptions to automatically enrolling certain officers.

The Children and Families Act 2014 provided for parental leave to be shared between parents. The Police Service of Scotland Regulations 2013 were amended in December 2016 to include provision for this to extend to police officers, and this instrument updates the provisions of the pension scheme in line with those regulations.

Prior to 2015, the structure of benefits of the police pension schemes in Scotland have mirrored those elsewhere in the UK. This has provided for ease of transferring between UK forces, as the force to whom the officer moves takes on responsibility for the officer’s accrued pension without the exchange of transfer values. Under the terms of the 2015 scheme in Scotland, the accrual rate was adjusted from the UK-wide annual accrual of 1/55.3ths of pensionable earnings, to 1/56.1ths. This provides for more favourable early retirement factors from age 55 in Scotland. Regulation 12 of this instrument requires that where an officer has moved to Police Scotland from elsewhere in the UK and takes early retirement with actuarial reduction, the proportion of the officer’s retirement pension accrued elsewhere in the UK will be subject to the relevant actuarial reduction in their previous UK scheme. This ensures that an appropriate reduction is made to that officer’s pension at retirement based on the pension accrual throughout their service.

This instrument inserts certain administrative provisions. Where an ill-health pension ceases to become payable, the retirement account must be closed and an active member’s or pensioner member’s account re-established and set at a level of pension equivalent to the amount of lower-tier pension payable when the award was first made. Regulation 15 removes the requirement for the scheme manager to hold a signed nomination form before a surviving adult partner pension can be made payable.

Further minor amendments and corrections are made to certain definitions and the discretion for the scheme manager to make a lump sum death grant payable consistent with the provisions of the Police Pension Scheme 2006.

**Consultation**

To comply with the requirements of Section 21 of the 2013 Act, a draft statutory instrument was issued for consultation between 27 July to 18 September 2017, with a further brief consultation from 12 October 2017 to 26 October 2017. A copy of the consultation document is available on the Scottish Public Pension Agency's website [www.sppa.gov.uk](http://www.sppa.gov.uk). A summary of consultation responses will be made available on the SPPA website.

**Financial Effects**

Some long-term savings to the pension scheme may be made by the provision at Regulation 12.

**Business and Regulatory Impact Assessment**

This policy does not impose any additional costs or reduce existing costs for business, third or public sector organisations and on that basis no Business and Regulatory Impact Assessment is required for these Regulations.

Scottish Public Pensions Agency  
An Agency of the Scottish Government  
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