

*These notes refer to the Scotland Act 1998 (c.46)
which received Royal Assent on 19th November 1998*

SCOTLAND ACT 1998

EXPLANATORY NOTES

SCHEDULES

SCHEDULE 8, Paragraph 13: Pensions (Increase) Act 1971

Purpose and Effect

Paragraph 13 amends the Pensions (Increase) Act 1971 so as to ensure that any pensions payable to or in respect of Members of the Scottish Parliament (MSPs), Members of the Scottish Executive and the staff of the Scottish Parliamentary Corporate Body (SPCB) under pensions schemes established in accordance with section 81(4)(b) and paragraph 3(4)(b) of Schedule 2 of the Act will be increased in accordance with the provisions made in the 1971 Act. The effect of this is that the levels of pensions payable under such schemes would, like other official pensions, have to be increased annually in line with the Retail Price Index figure set out in an order by the Treasury.

General

Any pension schemes established by the Parliament or the Scottish Parliamentary Corporate Body (SPCB) providing pensions in respect of MSPs or Members of the Scottish Executive and the staff of the SPCB are in effect public service pensions and therefore ought to be increased in line with the provision made in relation to official pensions by the 1971 Act. This will provide for inflation-proofing of pensions and will help to ensure that whatever pension scheme the Parliament adopts should meet with the Inland Revenue's tax approval rules. This does not, however, apply the 1971 Act to pensions payable under private arrangements. This will bring the pension provisions for MSPs, members of the Scottish Executive and the staff of the SPCB in line with what exists for Members of the Westminster Parliament, Members of the European Parliament and which is also proposed for Members of the Welsh Assembly.

Parliamentary Consideration

<i>Stage</i>	<i>Date</i>	<i>Column</i>
CR	12-May-98	757