

SCOTTISH PARLIAMENTARY PENSIONS ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part E Reckonable Service

125. In order to calculate the pension entitlement of a pension scheme member (see Part F) it is necessary to determine the period of service which should be taken into account for that individual. This period is referred to as “reckonable service”. Part E of the Schedule sets out rules determining the meaning and calculation of periods of reckonable service as an MSP or office-holder. It also determines how reckonable service is measured. These rules replace the rules contained in Part E of the 1999 pensions order.

Rule 33: Reckonable service as an MSP

126. Rule 33 provides that the period during which an MSP member is making scheme contributions from salary payments is counted as a period of reckonable service.
127. Under rule 33(2)(a), reckonable service as an MSP member is the total of all periods, whether continuous or interrupted, where such contributions are made. That period is increased under rule 33(2)(b) by any additional period of increased reckonable service granted as a result of transferred payments from other schemes under Part N Chapter 2, and added years purchased under Part O.
128. The period of reckonable service used to calculate pension entitlement (see Part F) can also be affected by other provisions in the scheme rules. In particular the period is adjusted to provide for periods where a person had a dual mandate under Part Q. It can be enhanced under the ill-health retirement provisions in Part I.
129. Service as an MSP can also be ignored where rules in relation to short service refunds under Part M, and transfers out under Part N Chapter 1, apply. Periods in respect of which a refund or a transfer out occurs do not count as periods of reckonable service.

Rule 34: Reckonable service as an office-holder

130. Rule 34 makes similar provision to that of rule 33 but in relation to reckonable service as an office-holder. Reckonable service is counted during any period when an office-holder member is making scheme contributions from salary payments. A scheme member can accrue reckonable service as an MSP under rule 33 as well as accruing reckonable service for the same period as an office-holder under rule 34.
131. Under rule 34(2), reckonable service as an office-holder is the total of all periods whether continuous or interrupted, where contributions are deducted from salary. That period can be increased under rule 34(2)(b) by any additional period of increased reckonable service granted as a result of transferred payments from other schemes under Part N Chapter 2, and added years purchased under Part O. Such increases to office-

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holder reckonable service will only be made when the office-holder member is not also an MSP member (possible for the Lord Advocate or Solicitor General for Scotland).

132. The period of reckonable service used to calculate pension entitlement in Part F in relation to office-holders only can be enhanced under the ill-health retirement provisions in Part I.
133. Service as an office-holder can also be ignored where rules in relation to short service refunds under Part M, and transfers out under Part N Chapter 1, apply. Periods in respect of which a refund or a transfer out occurs do not count as periods of reckonable service.

Rule 35: Total reckonable service

134. Rule 35 provides for the calculation of an individual's "total reckonable service". Total reckonable service is used in relation to the calculation of entitlement to short service refunds under Part M and entitlement to transfers under Part N.
135. Total reckonable service is the total of any periods where an individual acquires reckonable service:
 - as an MSP only (under rule 33);
 - as an office-holder only (under rule 34); and
 - as both an MSP and office-holder (under both rules 33 and 34).
136. The wording of the rule avoids any period of service being double-counted. Any period during which an individual is both an MSP and office-holder would be counted under rule 35(c) only.

Rule 36: Measuring reckonable service

137. Rule 36 sets out that a period of reckonable service as an MSP or office-holder is to be measured in years and fractions of a year.

Transitional provisions re: reckonable service

138. Provision is made in Schedule 3 at paragraphs 6, 7 and 8 to cover the position of members and office-holders under the 1999 pensions order in relation to carrying their existing reckonable service accrued into the new scheme. See paragraphs 499-512 of these notes.