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SCHEDULE 1 – Scottish Parliamentary Pension Scheme
Document Generated: 2023-05-27

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SCHEDULE 1
SCOTTISH PARLIAMENTARY PENSION SCHEME

PART P

PENSION SHARING

Pension credit members

91 (1) A "pension credit member" is an individual on whom rights are conferred by the Fund trustees in accordance with paragraph 1(2) of Schedule 5 to the Welfare Reform and Pensions Act 1999 (c. 30).

(2) It is for the Fund trustees to determine the benefits to which a pension credit member is to be entitled.
But those benefits may consist only of—
    (a) a right to be paid a pension from the age of 65,
    (b) a right to commute a portion of that pension into a lump sum,
    (c) a right to take early retirement when aged between 60 and 65 and accordingly to be paid a reduced pension,
    (d) a right to be paid a lump sum instead of a pension where the member has not yet received a pension and is not expected to live for longer than one year because of a health condition,
    (e) a right to be paid a lump sum instead of a pension where that lump sum would be a trivial commutation lump sum for the purposes of Part 1 of Schedule 29 to the Finance Act 2004 (c. 12),
    (f) where a pension credit member dies within 5 years of first receiving a pension, a right to have the pension paid to a surviving partner, dependant children or personal representatives for the remainder of the 5 year period,
    (g) where a pension credit member dies before first receiving a pension, a right to have a lump sum paid to a surviving partner, dependant children or personal representatives of an amount equal to 25% of the cash equivalent of the benefits attributable to the corresponding pension credit (within the meaning of Chapter 4 of Part 4 to the Pension Schemes Act 1993 (c. 48)).

(3) An individual's benefits as a pension credit member are to be provided separately from any other benefits to which the individual may be entitled under the scheme.

(4) A rule which extinguishes an individual's right to receive scheme benefits on being paid a lump sum does not extinguish any separate rights which the individual may have to receive benefits as a pension credit member (or as a surviving partner, dependant child or personal representative of such a member).

Pension debit members

92 (1) A "pension debit member" is an individual whose scheme benefits have been reduced under section 31 of the Welfare Reform and Pensions Act 1999 (c. 30).

(2) When calculating a deceased individual's "scheme pension entitlement" for the purposes of Chapter 3 of Part J (see rule 56), any reduction of the deceased's scheme benefits by way of a pension debit is to be ignored.

(3) A pension debit member may not replace scheme benefits by buying added years which the member would not have been able to buy had those benefits not been reduced.

(4) This rule applies for the purposes of calculating the amount of any death in service lump sum or deferred pensioner lump sum payable in respect of a pension debit member.

The proportion of scheme member contributions attributable to the period before the pension debit member's scheme benefits became subject to the pension debit is to be reduced by the percentage by which those benefits were reduced.

Part 4 of the Welfare Reform and Pensions Act 1999 (c. 30) sets out—

(a) when a pension debit member's scheme benefits become subject to a pension debit (see sections 28 and 29 of that Act), and

(b) the percentage by which those benefits are to be reduced (see section 31 of that Act).

Death of ex-partner before discharge of pension credit liability

93 (1) This rule applies where an individual entitled to a pension credit (see section 29(1)(b) of the Welfare Reform and Pensions Act 1999 (c. 30)) dies before the Fund trustees have discharged their liability in respect of that credit.

(2) Where this rule applies, the Fund trustees may pay a lump sum to the individual's personal representatives of any amount they think fit (up to a maximum of 25% of the pension credit).