
SCOTTISH STATUTORY INSTRUMENTS

2023 No. 239

The Police Pensions (Remediable Service) (Scotland) Regulations 2023

PART 5

Voluntary Contributions

Treatment of reformed scheme added pension payments

27.—(1) This regulation applies in relation to a remediable added pension payment made by a remedy member (“M”).

(2) The scheme manager must, as soon as reasonably practicable after 30th September 2023 and having consulted the scheme actuary, determine the “compensatable amount”, being an amount by way of compensation which is equal to—

- (a) the aggregate of all of M’s remediable added pension payments, less
- (b) an amount in respect of the value of tax relief in accordance with directions 5(5) to (9) of the PSP Directions 2022.

(3) Where a determination is made in accordance with direction 5(8) of the PSP Directions 2022, the following apply—

- (a) direction 5(10) (provision of explanation);
- (b) direction 5(11) and (12) (appeals).

(4) The scheme manager owes to M or, where M is deceased, M’s personal representatives the compensatable amount.

(5) The rights to benefits that would otherwise have been secured by the remediable added pension payment are extinguished.

(6) Where a person has received any pension benefits under the reformed scheme by virtue of rights secured by a remediable added pension payment, that person owes to the scheme manager an amount equal to the aggregate of all such pension benefits.

(7) In this regulation, “remediable added pension payment” means—

- (a) a periodical payment for added pension made under an arrangement pursuant to Part 3 of schedule 3 of the 2015 Regulations which commenced during the period of M’s remediable police service;
- (b) a lump sum payment for added pension made pursuant to Part 4 of schedule 3 to the 2015 Regulations during the period of M’s remediable police service.

Treatment of legacy scheme added years payments

28.—(1) This regulation applies in relation to a remediable added years payment made by a remedy member (“M”).

(2) The scheme manager must, as soon as reasonably practicable after 30th September and having consulted the scheme actuary, determine the “compensatable amount”, being an amount by way of compensation which is equal to—

- (a) the aggregate of all of M’s remediable added years payments, less
- (b) an amount in respect of the value of tax relief in accordance with directions 5(5) to (9) of the PSP Directions 2022.

(3) Where a determination is made in accordance with direction 5(8) of the PSP Directions 2022, the following apply—

- (a) direction 5(10) (provision of explanation);
- (b) direction 5(11) and (12) (appeals).

(4) Where, by virtue of a section 6 election (including a deemed section 6 election) or a section 10 election, the benefits payable in relation to M’s remediable police service are reformed scheme benefits—

- (a) the scheme manager owes M or, where M is deceased, M’s personal representatives the compensatable amount, and
- (b) the rights to benefits that would otherwise have been secured by the remediable added years payment are extinguished.

(5) In this regulation, a “remediable added years payment” means a payment to secure increased benefits under the Police Pensions (Purchase of Increased Benefits) Regulations 1987 or Part 5 of the 2007 Regulations which is—

- (a) a lump sum payment made during the period of M’s remediable police service,
- (b) a periodical contribution made pursuant to an arrangement which commenced during the period of M’s remediable police service, or
- (c) a lump sum payment or a periodical contribution made pursuant to a remedial arrangement under regulation 29.

Remedial arrangements to pay voluntary contributions to secure legacy scheme added years

29.—(1) This regulation applies to a remedy member (“M”) who—

- (a) is not a deceased member, and
- (b) was, immediately before 1st April 2022, not a full protection member of the 1987 scheme or the 2006 scheme within the meaning of paragraph 1 of schedule 4 of the 2015 Regulations.

(2) M may elect to enter into an arrangement (a “remediable arrangement”) to pay voluntary contributions to M’s legacy scheme for added benefits in accordance with—

- (a) where M’s legacy scheme is—
 - (i) the 1987 scheme, the Police Pensions (Purchase of Increased Benefits) Regulations 1987;
 - (ii) the 2006 scheme, Part 5 of the 2007 Regulations, and
- (b) this regulation.

(3) M may only enter into a remediable arrangement—

- (a) in respect of a period of M’s remediable police service,
- (b) if the scheme manager is satisfied that it is more likely than not that, but for a relevant breach of a non-discrimination rule, M would, during the period of M’s remediable police service, have entered into the same or a similar arrangement,

- (c) before—
 - (i) the end of the period of one year beginning with the day on which a remediable service statement is first provided in respect of M, or
 - (ii) such later time as the scheme manager considers reasonable in all the circumstances, and
- (d) after an application made in accordance with paragraph (4) is approved by the scheme manager.
- (4) An application is made in accordance with this paragraph where—
 - (a) it is in writing in a form and manner determined by the scheme manager,
 - (b) it is accompanied by any information the scheme manager reasonably requires to be provided for the purposes of—
 - (i) determining the matters mentioned in paragraph (3)(b);
 - (ii) complying with any requirement imposed by the Police Pensions (Purchase of Increased Benefits) Regulations 1987 or (as the case may be) Part 5 of the 2007 Regulations in connection with making an election to pay voluntary contributions for added benefits, and
 - (c) it is received by the scheme manager—
 - (i) before the end of the period of six months beginning with the day on which a remediable service statement is first provided in respect of M, or
 - (ii) such later time as the scheme manager considers reasonable in all the circumstances.
- (5) Where M enters into a remediable arrangement, M owes to the scheme manager an amount equal to—
 - (a) the aggregate of the voluntary contributions which M would have owed had M entered into the remediable arrangement at the time M would have entered into the same or a similar arrangement but for a relevant breach of a non-discrimination rule, less
 - (b) tax relief amounts calculated in accordance with direction 12(2) to (7) of the PSP Directions 2022.
- (6) Where a determination is made in accordance with direction 12(6) of the PSP Directions 2022, the following apply—
 - (a) direction 12(8) (provision of explanation);
 - (b) direction 12(9) and (10) (appeals).

Disapplication of restriction on lump sum payments for reformed scheme added pension

30. Paragraph 5(5) of schedule 3 of the 2015 Regulations does not apply in relation to an option to make a lump sum payment for added pension that was exercised by a remedy member during the period beginning on 1st April 2022 and ending at the end of 31st March 2023.