

# **SCOTTISH PARLIAMENTARY PENSIONS ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part D Contributions**

##### **Rule 29: Procedure for changing scheme member contribution rate**

113. Rule 29(1) allows a participating member to alter their scheme contribution rate from the higher to the lower rate or vice versa by giving notice to the Fund trustees.
114. Under rule 29(2) a participating member must give written notice to the Fund trustees to change their contribution rate. An MSP participating member can only change their contribution rate within three months of being elected (or re-elected) and a non-MSP participating member who holds a qualifying office (Lord Advocate or Solicitor General for Scotland) can only make the change within three months of being appointed (or re-appointed). The rule makes no provision for an MSP office-holder to elect to change contribution rates on election to an office, the effect being that office-holders who do not opt out as office-holder members must pay scheme contributions towards their office-holder pension at the same rate as they pay towards their MSP pension.
115. The effect of rule 29(3) is that any notified change in contribution rate will be backdated to the date of being elected or appointed. In the case of a change from the higher rate to the lower rate, any overpaid contributions will be refunded to the participating member. In the case of a change from the lower rate to the higher rate, the participating member must pay any shortfall in contributions.
116. A transitional provision is made in Schedule 3 at paragraph 4 for those who are existing participating members before the new rules come into force and want to elect to pay the lower contribution rate of 6%. They must notify the SPCB of that intention at least 14 days before the new rules come into force (see paragraphs 493-496).