

# **SCOTTISH PARLIAMENTARY PENSIONS ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Schedule 3 transitional Provisions and Savings***

#### ***Paragraph 6: Reckonable service as an MSP***

498. Provision is made in paragraph 6 for service under the 1999 pensions order to be recognised and carried forward for the purpose of calculating reckonable service and the amount of pension payable under the new scheme rules.
499. Subparagraph (1) specifies who the provisions of paragraph 6 apply to. That is those who were participating members making contributions to the Fund from their salary under article A1(2) of the 1999 pensions order. It excludes any who at the new rules day were pensioner members.
500. The pension entitlement for all such previous service will be calculated under the new scheme rules in Schedule 1. Subparagraph (2) sets out how the previous “aggregate period of reckonable service as a participating member” is to be carried forward into the new scheme rules. The “aggregate period of reckonable service as a participating member” is defined at article E2 of the 1999 pensions order. It is the actual period of reckonable service as a participating member together with any increases in reckonable service attributable to sums received by way of a transfer in value or by buying added years. The aggregate period of reckonable service is to be treated as if it was reckonable service as an MSP (see Schedule 1, rule 33). That service is treated under subparagraph (2)(b) as having accrued as a result of making contributions at the lower rate of 6% of salary.
501. Subparagraph (3) makes provision in relation to buying added years not yet fully purchased. Subparagraph (3)(a) applies where an individual, having had an application to buy added years by instalments accepted by the SPCB before the new scheme rules come into effect, is still in the process of paying for those years. In such a case no part of the added years being purchased is included within the aggregate period of reckonable service under subparagraph (2).
502. Alternatively, under subparagraph (3)(b), a participating member may have had an application to buy added years by paying a lump sum accepted by the SPCB before the new scheme rules come into effect but not yet have made payment on new rules day. In such a case no part of the prospective added years falls within the aggregate period of reckonable service under subparagraph (2).
503. In each case the added period of service, when fully paid for, is counted as reckonable service under the new scheme rules set out in Schedule 1 Part E of the Act (see also the provisions at paragraph 18 of Schedule 3).