

POLICY NOTE

The National Health Service Superannuation Scheme (Miscellaneous Amendments) (Scotland) (No.2) Regulations 2017

SSI 2017/434

The above instrument was made in exercise of the powers conferred by sections 10 and 12 and schedule 3 of the Superannuation Act 1972. Functions under that Act as regards Scotland have been executively devolved to the Scottish Ministers. The instrument is subject to negative procedure.

Policy Objectives

Amendments to the National Health Service Superannuation Scheme (Scotland) Regulations 2011 (SSI 2011/117) and the National Health Service Superannuation Scheme (2008 Section) (Scotland) Regulations 2013 (SSI 2013/174)

Employee Contributions

The National Health Service Superannuation Scheme (Scotland) Regulations 2011 (1995 Section) and the National Health Service Superannuation Scheme (2008 Section) (Scotland) Regulations 2013 require members of the NHS Superannuation Scheme (NHSSS) to pay contributions to the Scheme as a condition of membership.

This instrument makes changes to the salary/earnings bands of the table in these regulations against which the employee contribution is set. Employees who are members of the scheme pay a percentage of their pensionable pay to the scheme dependent on the level of their pensionable earnings. It was agreed during scheme reform discussions the employee contribution percentage rates for period 1 April 2015 to 31 March 2019 would not change however the pay/earnings bands against which the contribution is assessed would be adjusted each year in line with national NHS pay awards in Scotland. The aim is to ensure that the bandings remain in line with annual increases in members pay and that they are not penalised by having to pay a higher pension contribution because of their annual pay increase. This SSI will therefore insert into the Regulations a revised employee contribution table to reflect the pay uplift from 1 April 2017 and which will apply to members from 1 April 2018.

Other main amendments

The following amendments are also made to the 1995 and 2008 sections of the scheme regulations:

- References are included to the Public Service Pensions Act (Northern Ireland) 2014 to ensure that a scheme under this Act is treated as “another UK Health Scheme” for equal treatment purposes in respect of protection of member’s rights and enabling of transfers under the transfer club rules.
- A change is made to the procedure for informing joiners of their right to request a transfer
- Other amendments are made only to provide clarification to or to correct existing provisions.

Consultation

To comply with the requirements of section 10(4) of the Superannuation Act 1972 a formal policy consultation took place from 8 September 2016 to 19 October 2016. In particular, representatives of NHS employers and employees, other Scottish Government interests and UK Government departments were consulted. One response to the consultation was received. The comments were on technical matters and amendments have been incorporated where appropriate.

Impact Assessments

An equality impact statement in respect of the NHS Pension Scheme (Scotland) reforms (including contribution rates) was prepared and is available at <http://www.gov.scot/Publications/2015/03/2855>

Financial Effects

The increase in pay bands on which contributions for members are based is beneficial to members

Business and Regulatory Impact Assessment

No Business and Regulatory Impact Assessment is necessary as the instrument has no financial effects on the Scottish Government, local government or business.

Scottish Public Pensions Agency
An Agency of the Scottish Government
12 December 2017