

POLICY NOTE

THE FIREFIGHTERS' PENSION SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2023

SSI 2023/369

The above instrument was made in exercise of the powers conferred by section 1 (1) and (2) (f) of, and paragraph 6 (c) of Schedule 2 of, the Public Service Pensions Act 2013 (the 2013 Act) and all the powers enabling them to do so. The instrument is subject to negative procedure.

Summary Box

This instrument is to correct errors contained in the Public Service Pensions Revaluation Order 2021 (the 2021 Order) and the Public Service Pensions Revaluation Order 2022 (the 2022 Order), to ensure firefighters' pensions are revalued by the correct rate in respect of those two years.

Policy Objectives

Accrued pensions of active members of the Firefighters' Pension Scheme in Scotland are revalued annually under the 2015 Scheme. The revaluation is in accordance with annual orders made by HM Treasury under section 9(2) of the Public Sector Pensions Act 2013. The increases provided for in the 2021 and 2022 Orders were based on provisional figures from November in each year, whereas in other years the calculations were based on final figures from December. HM Treasury considers that the December figures should have been used and this statutory instrument is making the necessary changes.

Amendments are required to the 2015 regulations to correct the errors in the 2021 Order and the 2022 Order by "topping up" the index adjustment. This is being achieved by increasing the pension entitlement for those individuals in scope under powers in Section 3 of the 2013 Act. This approach is necessary as making changes to the revaluation indexation would more rightly be made under section 9 to the 2013 Act, which falls outside the scope of the responsible authority's powers.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

To comply with the requirements of section 21 of the 2013 Act, a consultation took place from 6 October 2023 to 3 November 2023.

In particular representatives of Firefighters' employers and employees, armed forces administration, other Scottish Government interests and UK Government departments were consulted. Two responses to the consultation were received, and on the basis of responses

received the proposed to rectify the correction required to amend the errors in the 2021 and 2022 Orders is being adopted.

A full list of those consulted and who agreed to the release of this information is attached to the consultation report published on the Scottish Public Pensions Agency's website: <https://pensions.gov.scot/firefighters/scheme-governance-and-legislation/consultations>.

Impact Assessments

This change is to rectify HMT Revaluation Orders in 2021 and 2022 which used incorrect information. Since both sets of data will increase pension values by the same proportion it is assessed an EQIA is not required.

Financial Effects

The Minister for Community Wealth and Public Finance confirms that no Business and Regulatory Impact Assessment (BRIA) is necessary as the instrument has no significant financial effects on the Scottish Government, local government or on business.

Scottish Public Pensions Agency
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