

**POLICE PENSION SCHEME  
1/2013**

**WHO SHOULD READ:** Chief Constables, Clerks to the Joint Boards, Chief Executive of Dumfries and Galloway and Fife Councils

**ACTION:** For information and action. Please draw this to the attention of pensions managers and superannuation sections and scheme members.

**SUBJECT:** Increase in employee contributions

- The purpose of this circular is to confirm that increases to members' contributions will be effective from 1 April 2013 as set out in the recent consultation and shown in the tables below. This concerns contributions made under the Police Pension Regulations 1987 (PPS) and the New Police Pension Regulations (Scotland) 2007 (NPPS).

In a statement to Parliament on 28 November 2012, the Cabinet Secretary for Finance, Employment and Sustainable Growth, John Swinney, announced the Scottish Government's decision to implement the second annual increment of UK Government proposed employee contribution increases for the Teachers', NHS, Police and Firefighters' schemes in Scotland.

SPPA consulted on employee contribution increases from 1 April 2013 between 24 January and 20 February 2013 and reflected those proposed for police officers in England and Wales. In addition to outlining the proposed rates the consultation also sought views on any suitable alternatives that would still deliver the necessary contribution yield whilst at the same time minimising the number of opt outs from the scheme. Whilst the underlying message was one of opposition to applying any increases, which included further confirmation of the staff associations' fundamental opposition to increasing employee contributions at this time, there were no acceptable alternatives suggested and as a result the rates to be applied in Scotland will mirror those being applied in England and Wales. Further details of the questions asked and an analysis of the 189 responses received are provided in a separate report on the [SPPA's website](#).

This circular confirms that Scottish Ministers have decided that member's contribution rates from 1 April 2013 will be implemented as set out in the consultation document. Regulations to implement these increases were laid in the Scottish Parliament on 6 March and subject to Parliamentary approval, the revised contribution rates effective from 1 April 2013 are as set out in the table below. The rates continue to be based on the member's full-time equivalent salary.



## Police Pension Scheme (1987)

Wholetime Pensionable pay band	Contribution Rate 2012/13	Contribution rate increase from 2013/14	Cumulative increase from April 2012	Contribution Rate 2013/14
£27,000 and under	11.6%	0.6%	1.2%	12.2%
£27,001- £60,000	12.25%	1.25%	2.5%	13.5%
Over £60,000	12.5%	1.5%	3.0%	14.0%

## New Police Pension Scheme (2006)

Wholetime Pensionable pay Band	Contribution Rate 2012/13	Contribution rate increase from 2013/14	Cumulative increase from April 2012	Contribution Rate 2013/14
<b>£27,000 and under</b>	10.1%	0.6%	1.2%	10.7%
<b>£27,001- £60,000</b>	10.5%	1.0%	2.0%	11.5%
<b>Over £60,000</b>	10.75%	1.25%	2.5%	12.0%

**The changes to contribution rates will be effective for service from 1 April 2013.** Employee contribution rates for 2014/15 are still to be decided and will be subject to further consultation in the coming months.

To help members understand what this will mean for them, a [PPS contributions calculator](#) and [NPPS contributions calculator](#) are available on the SPPA website (use this link or go to the Police page of the SPPA website and click on Calculators). This will show members how their monthly contributions will be affected after tax.

Please bring the information contained in this circular to the attention of the relevant staff to ensure that the necessary arrangements are in place for the correct contributions to be deducted from members as appropriate when the regulations come into force on 1 April 2013.

In accordance with the Occupational Pension Scheme (Disclosure of Information) Regulations 1996, please ensure that all members who are affected by this change are notified individually in writing.

**JENNY COLTMAN**  
**POLICY MANAGER**  
6 March 2013



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## Contact Information:

Should you have any enquiries about this circular, or require further information, please contact:

Jenny.Coltman@scotland.gsi.gov.uk

**Scottish Public Pensions Agency**  
7 Tweedside Park  
Tweedbank  
GALASHIELS  
TD1 3TE

[www.sppa.gov.uk](http://www.sppa.gov.uk)  
Telephone: 01896 893000



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