

**POLICE PENSION SCHEME
02/2015**

WHO SHOULD READ: Chief Constable of Police Scotland
ACTION: For information and action. Please draw this to the attention of payroll managers and scheme members.
SUBJECT: Member contribution rates from 1 April 2015

The purpose of this circular is to confirm member contributions effective from 1 April 2015. This concerns contributions made under the Police Pension Regulations 1987 (PPS) and the New Police Pension Regulations (Scotland) 2007, and the Scottish Police Pension Scheme Regulations to be implemented from 1 April 2015.

Key information in this circular**From 1 April 2015-**

- 1. There will be no increase to contribution rates for the existing 1987 and 2006 schemes.**
- 2. A flat rate of 13.46% will be applied to members of the new CARE scheme regardless of their pensionable earnings.**

The rates below were subject to consultation from 22 January 2015 until 5 February 2015.

Following that consultation, Scottish Ministers considered the responses made and have decided to apply the rates for the three schemes as detailed in table below from 1 April 2015.

The rates have been set to deliver an average yield of 13.7% from scheme members as required by HM Treasury as part of the scheme valuation. The rates shown in the table below will apply for the period 1 April 2015 to 31 March 2019 with the tier boundaries fixed for the period.

Transition Members

SPPA will be contacting Police payroll departments soon to confirm transition dates for members of the schemes with tapered protection. These dates will determine the point at which the members move to the new 2015 scheme, therefore becoming subject to the different contribution rate.

Employer Rate

The employer rate will be determined following the completion of the scheme valuation. The valuation is based on scheme data at 31 March 2012 and will be used to set the employer



rate and employer cost cap from 1 April 2015 as required by the Public Service Pensions Act 2013. SPPA will issue a separate circular confirming the employer rate as soon as it is available.

Member contribution rates due from 1 April 2015

Whole-time pensionable pay	1987 Scheme	2006 Scheme	2015 Scheme
Tier 1 £27,000 and under	12.5%	11.00%	13.46%
Tier 2 £27,001 - £60,000	14.25%	12.05%	
Tier 3 Over £60,000	15.05%	12.75%	

Action required

Action on the basis of this information is required to ensure that Police Scotland and legacy HR/Payroll systems are updated to manage the revised contribution structure from 1 April 2015.

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 and in line with tiered contribution rates when the regulations come into force on 1 April 2015.

In accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, please ensure that all members who are affected by this change are notified individually in writing.

Chad Dawtry
Director of Policy
SPPA
February 2015

Contact Information: Should you have any enquiries about this circular, or require further information, please contact Iain.Coltman@scotland.gsi.gov.uk.

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