Dear Sir/Madam

DRAFT REGULATIONS - THE LOCAL GOVERNMENT PENSION SCHEME (MISCELLANEOUS AMENDMENTS) (SCOTLAND) REGULATIONS 2019

1. I attach for your comments the draft Local Government Pension Scheme (Miscellaneous Amendments) (Scotland) Regulations 2019.

2. These amendments include extending the pensions flexibility which introduced an option to take an ‘Uncrystallised Funds Pension Lump Sum’ (UFPLS) from a member’s AVC provider, currently only available to current members, to members of previous schemes.

3. They also include changes which re-instate the wording that requires employers to use the full unreduced pensionable pay when calculating ill-health benefits after a member reduces their hours due to ill-health. This change is backdated to the 2014 regulations which came into force on 1 April 2015.

4. As a result of requests from stakeholders, changes made to require that pension contributions be paid automatically for the first 30 days of an absence, to ensure that members do not lose pension benefits and to assist in the administration of the Scheme.

5. These regulations also correct a number of referencing errors and ensure that the provisions in the Local Government Pension Scheme (Transitional Provisions and Savings)(Scotland) Regulations 2014 continue to have effect in the 2018 scheme.

6. Comments are invited on the draft regulations. You may complete the Consultation Response Form attached at Annex A which can be submitted electronically to kimberly.linge@gov.scot or by post to the following address:

Local Government Pensions Consultation, SPPA Policy, 7 Tweedside Park, Tweedbank, Galashiels, TD1 3TE. A printable Consultation Response Form is included at Annex A.

The consultation will close on Monday 11 March 2019 and we ask that anyone wishing to respond does so by then.
7. We intend to publish a summary of consultation responses as soon as possible after the consultation closes. We would like to be able to include any response you make in that summary. However, if you ask us not to publish your response to this consultation, we will regard it as confidential.

Respondents should also be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and will have to respond appropriately to any relevant request made to the SPPA under that Act for information concerning this consultation exercise.

8. The proposed changes are set out in Annex A, attached.

Handling your response

9. All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

10. A Respondent Information Form is also provided at Annex B for completion and return to SPPA. Using this form will simplify our task of collating responses and will make the process more efficient.

Next steps in the process

11. Where respondents have given permission for their response to be made public these will be made available to the public in the Scottish Government Library after the consultation period. We will check all responses where agreement to publish has been given for any potentially defamatory material before logging them in the library. You can make arrangements to view responses by contacting the SG Library on 0131 244 4556. Responses can be copied and sent to you, but a charge may be made for this service.

12. Once the consultation has closed we will consider all responses when preparing the final Regulations.

Completed information

13. The completed Respondent Information Form and any comments you wish to make should be returned, by Monday 11 March 2019, to Kimberly Linge, Policy Manager, Scottish Public Pension Agency, 7 Tweedside Park, Tweedbank, Galashiels TD1 3TE.

14. Copies of the proposals and Respondent Information form can be accessed on the Pension Reforms & Taxation area of the SPPA website. Your responses and completed Respondent Information form can be sent electronically to kimberly.linge@gov.scot. If you would prefer to have a set of these consultation documents and draft regulations sent to you in hard copy, please contact kimberly.linge@gov.scot to request a set.

Comments and complaints
15. Information on the Scottish Government Consultation Process can be found in Annex B of this letter. If you have any comments about how this consultation exercise has been conducted, please contact Lorimer Mackenzie by telephone on 01896 892474 or by e-mail to lorimer.mackenzie@gov.scot.

Yours faithfully

Kimberly Linge

Kimberly Linge
Policy Manager, LGPS

Addressees:

Local Government Scheme Advisory Board
Convention of Scottish Local Authorities
Department for Communities and Local Government (E&W)
Department for Communities (Northern Ireland)
LGPS(S) Pension Funds

An agency of The Scottish Government