

7 Tweedside Park
Tweedbank
Galashiels TD1 3TE
<http://www.sppa.gov.uk>

To the listed addressees

Telephone: 01896 893227
Fax: 01896 893230
david.lauder@scotland.gsi.gov.uk

Your ref:
Our ref: LGT/01/18/00

16 October 2006

Dear Sir/Madam

THE LOCAL GOVERNMENT (DISCRETIONARY PAYMENTS AND INJURY BENEFITS) (SCOTLAND) REGULATIONS 1998

1. I enclose, for your comments, draft regulations to amend the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998. Comments are invited by a deadline of 15 November 2006.

2. The draft regulations follow on from the broad consultations which took place as part of "Facing the Future - Principles and propositions for an affordable and sustainable Local Government Pension Scheme in Scotland" and subsequent careful consideration of the various comments received.

3. The draft regulations, as currently proposed, impact on the local government employers discretionary powers to award employees a one-off lump sum of up to 66 weeks pay where employment is terminated early. This has the effect of removing the formula that currently determines the level of benefit to be awarded within the maximum of 66 weeks.

4. There is no expectation that employers' staff compensation costs would rise as a result of the new Regulations. However, the proposals would give employers more flexibility to set the most appropriate compensation lump sum level for each individual case. A Regulatory Impact Assessment is not required in this case as the draft Regulations are not materially different to those currently in force.

Statutory Instrument Contents

Regulation I: Citation and commencement

5. Under this regulation it is proposed that the provisions shall have effect from 1 December 2006.

Regulation 2: General interpretation

6. This Regulation gives detail of the Regulations to be amended.



Other issues

7. This consultation exercise takes place within the context of broader policy and regulatory changes for the Local Government Pensions Scheme in Scotland designed to lead to the introduction of a new look scheme in due course. In relation to LGPS discretionary compensation specifically, these provisions may be considered again in due course once the UK Review of premature retirement and severance arrangements in the Teachers Pension Scheme has been completed.

Responses

8. Your comments should be sent in the first instance to Jean Steel, Policy Officer, LGPS(S), Scottish Public Pensions Agency, 7 Tweedside Park, Tweedbank, Galashiels, TD1 3TE. Electronic responses can be sent to locgovpensionsreform@scotland.gsi.gov.uk

9. A summary of responses to this consultation will be published on the Agency's website at www.sppa.gov.uk in due course.

10. Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information (Scotland) Act 2000 (FOISA) and the Data Protection Act 1998 (DPA) .

11. If you want the information that you provide to be treated as confidential, please be aware that, under the FOISA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

12. The Department will process your personal data in accordance with the DPA and in the majority of circumstances; this will mean that your personal data will not be disclosed to third parties.

13. If consultees wish to discuss in detail the compensation proposals and their implications or to suggest positive amendments, please do not hesitate to contact us so that the issues can be fully discussed within the consultation period. You can contact me on 01896 893227 or send any queries by e-mail to david.lauder@scotland.gsi.gov.uk.

Yours faithfully



D Lauder
Policy Manager, LGPS



Addressees

COSLA

TGWU

GMB

STUC

UNISON

AMICUS

Secretary, LGPC

Educational Institute for Scotland

Union of Construction, Allied Trades and Technicians

Strathclyde Passenger Transport Authority

Audit Scotland

National Association of Pension Funds

Scottish Local Government Pension Scheduled Bodies

Scottish Local Government Pension Funds

CIPFA

Women's National Commission

Other Relevant Government Departments.

