

Legal Aid (Scotland) Pension Scheme

# A Guide to the Scheme

**MEMBERS' GUIDE (Pre-October 2010 SECTION)**





## Summary of your benefits

Description of Benefit	SLAB members
Member Contributions	6%
Pension	A Pension worth 1/80 <sup>th</sup> of Final Year's Pensionable Pay per year of service
Retirement Lump Sum	3 x Pension. Option to exchange part of Pension for more cash
Normal Pension Age	60 (but 65 for members who joined from 1 October 2008)
Pensionable Pay	Basic annual salary
Final Year's Pensionable Pay	The best year's Pensionable Pay in the last three years
Death in service lump sum	2 x Pensionable Pay*
Dependants' Pension on death	A Pension based on your pay and service

\* 2 x current pay for part-time members of staff



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## Introduction

Welcome to the members' guide to the Legal Aid (Scotland) Pension Scheme (LA(S)PS) pre-October 2010 section, the pension scheme for the Scottish Legal Aid Board (SLAB) employees.

This guide explains the main features of the Scheme to you. By reading this you should get a good idea of the benefits that the Scheme provides. Some words or phrases have special meanings. We have included a glossary of many common terms at the end of the guide to help you understand them. More detailed information is available from your employer or from the pension administrator, the Scottish Public Pensions Agency via their website, [www.sppa.gov.uk](http://www.sppa.gov.uk)

A brief summary of the Scheme benefits is shown in the table on page 3. The following pages explain these benefits in more detail, describe how they are calculated, and to whom they apply.

### The small print

This member guide is intended to provide you with a general guide to the Scheme benefits. We have taken great care to get the details right at the time of publication but it does not give a complete or legally binding Statement of the law and Rules which govern the Scheme.

Nothing in this guide can override the Rules which set out the conditions of entitlement and determine the rate at which benefits are payable. In the event of any conflicting information, the Rules will prevail.

Note: Your employer has a copy of the Rules. The most up to date version of this guide is kept on [www.sppa.gov.uk](http://www.sppa.gov.uk)

If you are in any doubt about how your benefits are calculated or what you may be entitled to, please contact the Scottish Public Pensions Agency for information.



## Eligibility

The LA(S)PS pre-October 2010 section closed to new entrants with effect from 1 October 2010. If you were an active member of the Scheme on 30 September and 1 October 2010 you will remain in the Scheme.

From 1 October 2010 all new employees will only be eligible to join the LA(S)PS post-October 2010 section.

However, Preserved Members who return to the Scheme on or after 1 October 2010 will be able to rejoin the pre-October 2010 section provided they have returned to the Scheme within five years of either leaving SLAB's employment and returning, or opting out and becoming a Preserved Member.

In addition, you will only be able to rejoin the pre-October 2010 section of the Scheme if you:

- are not age 75 or over;
- were not age 70 or over on 30 September 2010;
- have not received a refund of Contributions from your last period of pensionable employment in the Scheme and these have not been repaid; or
- have not left the Scheme on or after 1 October 2010 and transferred your benefits out of the Scheme.

### Important note

Membership of the Scheme is voluntary but if you are eligible you will automatically be made a member, unless you decide not to join. You may choose to opt out of the Scheme at any time. You can do this by completing a form, which you can download from [www.sppa.gov.uk](http://www.sppa.gov.uk)

Before opting out of the Scheme, you should carefully compare the relative cost to you and the whole package of benefits provided under the Scheme. A financial adviser should be able to help you.

If you decide to leave or opt out of the Scheme, but later change your mind, you may lose your right to rejoin the pre-October 2010 Scheme.

## Costs and Contributions

The costs of the Scheme are determined by the Scheme actuary who performs periodic valuations of the Scheme to determine how much needs to be paid to provide the benefits. These costs are shared between the SLAB and the Scheme members.

As a Scheme member you pay a Contribution rate of 6% towards your Pension. Contributions are deducted before tax. The SLAB meets the balance of all Scheme costs and liabilities as and when they arise.

Further details are available in the factsheet entitled Costs and Contributions available on the SPPA website [www.sppa.gov.uk](http://www.sppa.gov.uk)

## Pension age

The Scheme's Normal Pension Age is 60\*. This is the age at which you may retire from SLAB employment and draw the full value of your Pension.

If you work beyond age 60\* your Pension will be paid when you eventually retire.

### Scheme fact

You may choose to retire from work before age 60\*. If you wish to take your Pension before you are 60\* it may be reduced to allow for it being paid for longer. Further details on this are included in the section about Voluntary Early Retirement on page 8.

If you return to the SLAB within one month of retiring, your Pension may be suspended and you may have to repay any Pension you have received. You will not be able to rejoin the pre-October 2010 Scheme.

\* Age 65 for members who joined from 1 October 2008.



## Benefits at retirement

You will receive a Pension and a Retirement Lump Sum. Your Pension is  $1/80^{\text{th}}$  of your Final Year's Pensionable Pay for each year of service in the Scheme.

### Scheme fact

The most service you can have in the Scheme is 45 years.

Part-time staff have their Pension based on the full-time equivalent rate of Pensionable Pay.

Your Pension is calculated as follows:

$$\text{Final Year's Pensionable Pay} \times \text{Pensionable Service} \times 1/80 = \text{Pension}$$

Your Retirement Lump Sum is normally three times the Pension. It is calculated as follows:

$$\text{Final Year's Pensionable Pay} \times \text{Pensionable Service} \times 3/80 = \text{lump sum}$$

Your Retirement Lump Sum is normally a tax free payment.

### Example

An Administrative Officer retires after 23 years and 220 days Pensionable Service with a Pensionable Pay figure of £28,890

The Pension is:

$$£28,890 \times 23.6027 \times 1/80 = £8,523.53 \text{ per year}$$

The Retirement Lump Sum is 3 x Pension, or

$$£28,890 \times 23.6027 \times 3/80 = £25,570.58$$

### Scheme fact

Some members may have a reduced Retirement Lump Sum that is less than three times their Pension when they retire. These are:

- Some men/women employed before 1 April 1973.
- Some women with service before 6 April 1988 who have elected to purchase additional widower's Pension.
- Members who have made elections to purchase additional civil partner's Pension.

## Increasing your Retirement Lump Sum

You have the option of receiving a larger Retirement Lump Sum and a smaller annual Pension. The Maximum Lump Sum you can take is 25% of your Pension Value. This is determined by a limit set by HMRC and adopted by the Scheme Rules. It applies across your entire Pension arrangements so your SLAB Retirement Lump Sum may be limited to a smaller amount if you have other pension savings.

You have to give up some of your Pension to get a bigger Retirement Lump Sum. You will receive £12 of lump sum for every £1 of Pension you give up.

Your Pension Value is determined by multiplying your reduced Pension by 20 and adding your Retirement Lump Sum. The maximum lump sum you can take is approximately 5.36 times your Pension.

### Example

An Administrative Officer decides to take a larger Retirement Lump Sum when she retires. She receives £12 of lump sum for each £1 of annual Pension given up so she chooses to exchange £500 of her annual Pension to get an extra £6,000 lump sum ( $£500 \times £12 = £6,000$ ).

Her benefits are now:

Pension

$$£8,523.53 - £500 = £8,023.53 \text{ per year}$$

Retirement Lump Sum

$$£25,570.59 + £6,000 = £31,570.59$$

“Your Retirement Lump Sum is normally three times the Pension”



## State pension scheme and other pension schemes

The Scheme is completely separate from the State pension arrangements or any other pension schemes you may have.

This means that you will normally get a separate basic State pension as well as your SLAB Pension. The Scheme is contracted-out of the second level of State pension known as the State Second Pension (or S2P) and you will not get this additional pension, except for any contributions you may have made in another employment.

### Scheme fact

The Scheme is contracted-out of S2P under the 1995 Pensions Act. This means that the Scheme has to pass a scheme quality test set out in the Pensions Act which ensures you will receive a Guaranteed Minimum Pension of at least as much as you would have received had you remained contracted into the S2P. The Scheme actuary has confirmed that the Scheme has passed the test.

If you have arranged your own Personal Pension, or have pensions from other employments, these are also payable when due or if permitted as you choose, as well as your Pension from the Scheme.

Because of tax legislation, you may need to tell us about these pensions when you come to retire.

## Applying for your benefits

When you are retiring you need to apply for your benefits using the appropriate form, which is available from your employer. To help us pay you on time, this should be completed four months before your intended retirement date.

Your Pension is usually paid monthly for the rest of your life. SLAB Pensions increase in line with inflation for as long as they are paid – usually in April each year. In your first year of retirement, a part-year increase may apply. If you retire before 55, your Pension will not normally attract increases until you reach age 55.

## Leaving early

The Scheme provides a number of options for those leaving the Scheme before retirement. The options available depend on your length of service.

Option	Less than 2 years' Scheme service when you leave	At least 2 years' Scheme service when you leave
Refund of Contributions, less tax and National Insurance contributions	Yes, if you are under age 60*	No
Leave your benefits in the Scheme and take a deferred Pension	No	Yes
Transfer your benefits to another pension arrangement	Yes	Yes

### Scheme fact

Your preserved Pension is calculated in the same way as your normal retirement Pension but is based on Pensionable Service and Final Year's Pensionable Pay at the time you leave. Preserved Benefits are normally paid when you reach age 60\*.

If you have reached the Normal Pension Age and decide to leave the Scheme but carry on working, you will not be able to claim your retirement benefits until your employment ends.

### Important note

Whilst you are an employed member of the Scheme, you are entitled to death in service benefits including life assurance and family benefits. On leaving the Scheme these benefits will no longer be payable.

\* Age 65 for members who joined from 1 October 2008.



## Early retirement

The circumstances in which you may take your Pension before your Normal Pension Age are described below. The Minimum Retirement Age is the earliest age you can receive your Pension. The Minimum Retirement Age is:

- Age 50 if you were a member of the Scheme before 6 April 2006.
- Age 55 if you became a member of the Scheme on or after 6 April 2006 (in accordance with the Finance Act 2004).

Please note that staff who were members of the SLAB Scheme between 6 April 2006 and 30 September 2008 will retain the Normal Pension Age of 60.

You may retire on ill health grounds at any age. If you are unclear as to what your Minimum Retirement Age is, please contact SLAB or SPPA.

## Voluntary Early Retirement on reduced Pension

You may choose to take Voluntary Early Retirement from age 50 and receive reduced benefits. Your Pension and Retirement Lump Sum are reduced to allow for the fact that they are being paid earlier than expected. Your Dependants will still get any benefits they are entitled to in full.

The following table shows how much of your accrued benefits you will receive if you retire early\*.

Age	Pension	Retirement Lump Sum
59	94%	97%
58	89%	94%
57	84%	92%
56	80%	89%
55	75%	86%
54	72%	84%
53	68%	82%
52	65%	79%
51	62%	77%
50	60%	75%

\* If you joined the Scheme after 1 October 2008 you have a Normal Pension Age of 65. If you are thinking of retiring later than age 60 but earlier than age 65, contact the HR department at SLAB.

The percentage of benefits payable will vary between the ages shown as we will also take months into account.

In the unlikely event that your reduced Pension is less than the Guaranteed Minimum Pension, you will not be able to take Voluntary Early Retirement.

### Important note

Pensions do not include inflation increases until age 55.

You may apply for Voluntary Early Retirement by completing a form which you can download from [www.sppa.gov.uk](http://www.sppa.gov.uk)





## Ill Health Retirement

If you have at least two years' Qualifying Service and are too ill to work in your present job you may be able to retire early and receive your Pension benefits. There are two tiers of Ill Health Retirement benefits and the benefits you get will depend on whether or not you are capable of undertaking employment elsewhere.

	Definition	Entitlement
Lower-tier	Unable to do current job due to permanent ill health.	Accrued service without actuarial reduction. No enhancement to benefits.
Upper-tier	Unable to carry out any regular employment due to permanent ill health.	Lower-tier benefits, <b>plus</b> an enhancement of two thirds of your prospective service.  Minimum service enhancement of four years or to 60* (whichever is less) <sup>‡</sup> .  Total service may not exceed prospective service at 60.

<sup>‡</sup> This provision is valid until 2016 when it will be reviewed.

\* Age 65 for members who joined from 1 October 2008.

It may be possible to move between the lower and upper tiers after retirement if your state of health changes or if your condition is such that it is not possible to determine at the outset whether you will recover sufficiently to undertake regular work. This option may only be exercised within three years of your initial Ill Health Retirement date.

If you become terminally ill you may take your benefits immediately as a lump sum. In this case they will be calculated based on the upper-tier entitlement. The calculation will normally be based on five times the Pension. You will also have the choice of taking an additional lump sum from commutation. This will reduce your Pension and the calculation will be based on this reduced Pension instead.

### Example

A 40 year old member retires due to ill health with 10 years' Pensionable Service.

Their Final Year's Pensionable Pay is £22,000

Lower-tier benefits

$Pension = 10 \times 1/80 \times £22,000 = £2,750$  a year

$Lump\ sum = 3 \times Pension = £8,250$

Upper-tier benefits

The member has 20 years to go until Normal Pension Age 60.

$Service\ enhancement\ is\ 2/3 \times 20\ years = 13.3333$

$Pension = 23.3333 \times 1/80 \times £22,000 = £6,416.66$

$Lump\ sum = 3 \times Pension = £19,249.98$

Terminal ill health

$Pension\ £6,416.66 \times 5 = £32,083.30$  paid as a one off lump sum in addition to their normal Retirement Lump Sum of £19,242.98.

If you are a Preserved Member and you become too ill to undertake regular employment you may be able to take your accrued Pension early with no reduction. Your benefits will not be enhanced.

If you have retired on upper-tier benefits, your benefits may be reduced or withdrawn if you take up further employment after retiring early due to ill health.

You may apply for Ill Health Retirement by completing a form which you can download from [www.sppa.gov.uk](http://www.sppa.gov.uk)

Further details may be found in the separate factsheet entitled Ill Health Retirement via our website [www.sppa.gov.uk](http://www.sppa.gov.uk)



## Premature retirement

If you voluntarily retire early with SLAB's agreement – in the interests of the efficiency of the service, or are retired prematurely because of redundancy, your benefits may be paid immediately. You must have at least two years' continuous service and have reached the Minimum Retirement Age (age 50 but age 55 for members joining the Scheme on or after 6 April 2006).

- As a member, SLAB may agree, in the interests of efficiency, to your Voluntary Early Retirement. Your benefits will be paid without a reduction, so you will receive an immediate payment of Pension, together with a lump sum of three times the annual Pension you have earned at your date of leaving. SLAB will meet the cost of paying the Pension and Retirement Lump Sum early. There will be no additional Pension enhancements or redundancy payment due.

You may apply for this benefit using the appropriate form which you can download from [www.sppa.gov.uk](http://www.sppa.gov.uk)

- As a member, if you are retired prematurely because of redundancy, you will receive an immediate payment of Pension, together with a lump sum of three times the annual Pension. You must have at least five years' service and have reached the applicable Minimum Retirement Age depending upon when you joined the Scheme.

If you are made redundant you will be entitled to an immediate enhanced Pension and lump sum without reduction. The payments would be based on your length of service, which would be enhanced as follows:

- For more than 10 years' service, there would be an additional 10 years' service enhancement.
- Between 5 and 10 years' service, the service enhancement would depend upon the number of years worked.

**In either case, this service enhancement will be limited to the number of years remaining before you reach Normal Pension Age (either 60 or 65, depending on when your employment began).**

You may receive a statutory redundancy payment in addition to your enhanced Pension and Retirement Lump Sum. If the service enhancement to your Pension is more than  $6\frac{2}{3}$  years, the statutory redundancy payment will be reduced on a sliding scale until there will be no statutory redundancy payment for the full service enhancement of 10 years.

If you have not yet reached the Minimum Retirement Age you will be entitled to a redundancy payment and will not be entitled to receive your Pension benefits.

Further details on premature retirement may be found in the separate factsheet entitled Premature Retirement via our website [www.sppa.gov.uk](http://www.sppa.gov.uk)

## Late retirement

If you remain in employment after age 60 (65 for members who joined from 1 October 2008), you may continue to earn Pension as long as you stay in the Scheme, up to age 75 or until you reach 45 years' service. When you take your benefits they will be increased in line with inflation.

**“If you remain in employment after age 60, you may continue to earn Pension”**



## Life insurance & family benefits

The Scheme provides lump sum and Pension benefits to your Dependants in the event of your death. The benefits payable will depend on your circumstances at the time of your death.

Summary of benefits payable on death:

Benefit	Death in service	Death after retirement	Death with preserved Pension	Death within 12 months of leaving service if benefits remain in Scheme
Lump sum	2 x your annual Pensionable Pay.	5 x pension less Pension already paid.*  * Within 5 years of retirement	3 x Pension payable if you had retired on date of death.	3 x annual Pension you would have received if you had retired on the date of death.
Widow's Pension	You must have had at least 2 years' Qualifying Service.  Short-term Pension payable at rate of your Pensionable Pay for the first 6 months.  ½ of your notional upper-tier Ill Health Retirement Pension after the first 6 months.	Short-term Pension payable at rate of your Pension paid for the first 3 months.  ½ of your Pension in payment after the first 3 months.	No short-term Pension.  ½ of your Pension at the date of death.	No short-term Pension.  ½ of your notional upper-tier Ill Health Retirement Pension at date of leaving.
Widower's / Civil partner's / Surviving partner's Pension	You must have at least 2 years' Qualifying Service.  Short-term Pension payable at rate of your Pensionable Pay for the first 6 months.  ½ of your notional upper-tier Ill Health Retirement Pension, based only on service from 6 April 1988*.	½ of your Pension in payment, based only on service from 6 April 1988*  Short-term Pension payable at rate of your Pension paid for the first 3 months.	½ of your Pension at the date of death, based only on service from 6 April 1988*.  No short-term Pension.	½ of your notional upper-tier Ill Health Retirement Pension at date of leaving, based only on service from 6 April 1988*.  No short-term Pension.
Children's Pension	¼ of your notional upper-tier Ill Health Retirement Pension per child, if no more than 2 children. ½ shared equally if more than 2 children.	¼ of your Pension per child, if no more than 2 children. ½ shared equally if more than 2 children.	¼ of your Pension per child, if no more than 2 children. ½ shared equally if more than 2 children.	No child's Pension paid.

\*These benefits may be higher if you have purchased additional Pension for your Dependants and the benefits will vary from those shown above.



## Payment of lump sum

The lump sum will normally be paid tax free to your spouse or registered civil partner. If you do not want this to happen you should contact the SLAB or SPPA to nominate someone else to receive the benefit. You should note that the lump sum may be subject to Inheritance Tax if it is not paid to your spouse, registered civil partner or surviving qualifying partner.

If no beneficiary is nominated and you do not have a spouse or registered civil partner, the lump sum can only be paid to your estate.

## Payment of Dependant's Pension

These are payable for life to your legal spouse, registered civil partner, or qualifying partner from the date of your death.

## Child Pensions

A child's Pension is paid until their 23rd birthday. If the child remains unable to earn a living due to a condition which existed at the date of your death, the child allowance will be paid indefinitely.

### Important note

It is important that you keep your nominations up to date to ensure that your benefits are paid as swiftly as possible and to whom you want to receive them.

Forms are available at [www.sppa.gov.uk](http://www.sppa.gov.uk) to nominate who you wish to receive any lump sum.

## Increasing Pension saving

You may increase the amount of benefits you get at retirement by paying extra Contributions. These are called Additional Voluntary Contributions or AVCs. There are three ways of doing this and each way buys you different benefits.

### 1. Buying Additional Pension

Under this option you elect to buy a set amount of annual Pension for an agreed amount of Contributions that you can choose to pay either as a lump sum, or by regular monthly payment.

### 2. Taking out a money purchase AVC account

Your Contributions are invested and build up a cash fund. When you retire you use this fund and any investment returns to buy an annuity (additional Pension for you or for you and your Dependants). You can take some of this fund as a lump sum.

### 3. Unreduced lump sum

You can purchase an unreduced lump sum retiring allowance for service before 1 April 1973, if you are a married man, or a married woman who has nominated a permanently-incapacitated husband or widower's Pension.

### Scheme fact

Members who took out or elected to take out an added year's contract before 30 September 2010 can also buy additional Pensionable Service by paying a lump sum, or making regular payments.

The most that you can pay into additional Contributions is 100% of your taxable pay, subject to an overall maximum limit per annum set out by HMRC.

More information about these choices and your options is available on the website [www.sppa.gov.uk](http://www.sppa.gov.uk)



## Transferring benefits into the LA(S)PS

If you have been a member of another pension scheme you may wish to consider transferring your benefits to the Scheme to buy additional service. If you wish to explore a Transfer please contact the SPPA. We will advise on the course of action that you need to take.

### Important note

Applications to Transfer benefits into the Scheme must be made within 12 months of joining the Scheme for the first time and before age 60 (65 for members who joined from 1 October 2008).

## Transferring benefits out of the Scheme

If you leave the Scheme you may be able to Transfer your benefits out of the Scheme to another registered occupational pension scheme with defined benefits.

A Transfer payment is worked out by converting the value of the accrued pension rights to a current cash equivalent using factors supplied by the Scheme actuary in relation to your age at the date of calculation. The Transfer value takes account of movements in the stock market.

If you leave the scheme and qualify for benefits you can only transfer to another registered occupational pension scheme with defined benefits.

If you leave the scheme without qualifying for pension benefits and apply within the time limits described in the 'Leaving the Scheme' factsheet, you may transfer to a defined contribution scheme offering flexible benefits.

## Rejoining the Scheme

You may opt out of the Scheme at any time by giving notice in writing. If you are in SLAB employment you may rejoin the Scheme if you continue to satisfy the eligibility conditions. You may not rejoin if you are absent from work for any reason or if you are in receipt of Scheme benefits.

If you rejoin the Scheme with Preserved Benefits, your benefits will be worked out in whichever of the following two ways gives the highest result:

- your periods of service will be added together and your total service and Final Year's Pensionable Pay will be used to work out your benefits; or
- the benefits you have earned for each period of service will be worked out separately. The benefits will be based on the Pensionable Pay at the end of each period and revalued. The benefits will then be added together.

If you have taken a refund of Contributions you will not be entitled to rejoin the Scheme. Instead you will be eligible to join the LA(S)PS post-October 2010 section.

### Important note

The Scheme closed to new entrants with effect from 1 October 2010. Please refer to the section on Eligibility conditions to see whether you would be eligible to rejoin the Scheme should you decide to leave.

“If you have been a member of another pension scheme you may wish to consider transferring your benefits to the Scheme to buy additional service”



## What the SPPA will do for you

We aim to provide a prompt, efficient and helpful service to all members of the Scheme.

We are committed to providing a standard of service that you have a right to expect both in your employment and after you have retired or left service.

### While you are employed by the SLAB and are a Scheme member

- We will provide you with an annual statement of your accrued benefits in the Scheme.
- You can ask us for the estimated value of your Scheme benefits at retirement.
- You can ask for other information about your Pension rights.
- You may get in touch with us at any time. We aim to deal with your queries quickly and accurately.
- If you write to us, we aim to send you a full and clear reply within 15 working days of the date we receive your letter.
- If we need to obtain more information before we can give you a full reply, we will let you know.

### If you leave the Scheme or the SLAB before retirement

We will tell you about your choices. If you are entitled to a refund of Contributions or wish to consider transferring your Scheme benefits, we will deal with your application as quickly as we can but please note, we do have to deal with other organisations in order to get some information which takes time. We will tell you the value of the Pension benefits you have earned.

We aim to:

- Pay a refund within three months of receiving the application.
- Issue Transfer value details within eight weeks of receiving the request. These details are then guaranteed for three months. If the Transfer is to proceed, you must apply within the guarantee period to avoid recalculation.
- Complete the Transfer within sixteen working days of receiving a member's instruction to transfer their rights.

### When you retire

We will let you know how much your Pension and Retirement Lump Sum will be.

We aim to:

- Work out your benefits accurately.
- Advise SLAB Payroll of any Lump Sum Retirement payable and they will pay this into your nominated account on the next payment day following the date of your retirement.
- Advise SLAB Payroll of the Pension payable and they will pay this into your nominated account during the following month.

All other Pension payments will be issued to reach you on the due date.

#### Important note

We may need information from you or your previous employer or other organisations in order to calculate your benefits. If we do not have the information needed it can take longer than we would like it to. In this case we will keep you informed of progress and ask you for anything we need you to provide.

“You may get in touch with us at any time”



## Complaints

Sometimes things go wrong. If you have a complaint, please tell us.


If we have made a mistake, we will apologise and put things right as quickly as possible.

If you are not satisfied, we have a disputes procedure which complies with pension legislation and Citizen's Charter guidelines. This is a three-stage process, the first of which asks you to write to the Scheme Manager who will try to resolve your complaint and let you have a response within three weeks. If you are still not satisfied, you may seek advice from The Pensions Advisory Service (TPAS). Finally, you may take your case to the Pensions Ombudsman.

The address for TPAS and the Pensions Ombudsman is:

 11 Belgrave Road  
LONDON  
SW1V 1RB

The Pensions Ombudsman will normally expect any complaint to have been looked at by TPAS first.

 TPAS: 0845 601 2923  
Pensions Ombudsman: 020 7630 2200

Alternatively, you may wish to contact:

 The Scottish Public Services Ombudsman  
4 Melville Street  
Edinburgh  
EH3 7NS

 0800 377 7330



## General information

### Superannuation Scheme Fund

The Legal Aid (Scotland) Pension Scheme is similar to the National Health Superannuation Scheme where a notional fund is set up to show how the Scheme would stand if all Contributions had actually been invested in a selection of fixed interest and index-linked Government securities. Scheme benefits, including cost of living increases (pensions increases) are met by the Scottish Legal Aid Board.

### Scheme Administration

This is carried out by the Scottish Public Pensions Agency, an Agency of Scottish Government.

### Scheme Rules

The rules of the Legal Aid (Scotland) Pension Scheme are approved by Scottish Ministers. They are the Legal Aid (Scotland) Pension Scheme Rules 1988 (as amended). The compensation scheme is covered by the Legal Aid (Scotland) Pension and Compensation Amendment Scheme 1992, and the AVC scheme by the Legal Aid (Scotland) Pension Scheme (Additional Voluntary Contributions) Scheme 1998. If you wish to see the Rules, you can either ask your employer or refer to the SPPA website.

### Data Protection

SPPA holds information about each Scheme member on computer. In terms of the Data Protection Act 1998, you have the right to request and be given a copy of all the computerised information held about you. There will be a charge for this.


### Disclosure of Information

Under the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 (as amended), pension schemes such as the Legal Aid (Scotland) Pension Scheme must provide you with certain information. This guide includes the general information which we must provide but you are also entitled to ask us for further information about your own circumstances. For example:

- Details of what your Scheme benefits are likely to be when you retire.
- The rights and options available to you if you decide to end your pensionable employment before Normal Pension Age.
- An estimate of the amount of the Transfer value you could expect on leaving the Scheme (and information on how it is calculated).
- An estimate of any refund of Contributions that might be due if you left the Scheme.

### Pension Scheme Registrar

Information about the Scheme has been given to the Pension Scheme Registrar under the management of the Pensions Regulator. The address is:

 Pension Scheme Registrar  
PO Box 1NN  
Newcastle-upon-Tyne  
NE99 1NN

The Registrar's main responsibility is to provide a tracing service for ex-members of pension schemes who have pension entitlements and who have lost touch with their former employer.





### Financial Advice

If you are in any doubt which pension arrangement will be the best for you, you should seek financial advice. A financial adviser who is independent can offer a range of financial services and products, whereas a financial adviser who is tied can only offer the products of one company or a limited amount of choice if they are multi-tied. Before you ask for advice, make sure you know which type of adviser you are dealing with.

#### Important note

Most financial advisers will charge for their advice.

“If you are in any doubt which pension arrangement will be the best for you, you should seek financial advice”

## More information

If you need more information about the Scheme or about your Pension please visit the SPPA website.

You can also contact us by writing to:

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

 01896 893000

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

You can also fax us on 01896 893214.

Your employer may also be able to help you.



## Glossary of terms

### Additional Pension

An extra amount of annual Pension that you (or your employer) have purchased by paying extra Contributions.

### Additional Voluntary Contributions

Extra Contributions that you decide to pay to increase your benefits.

### Contributions

The amount needed to be paid into the Scheme to pay for the benefits. This is split between members and employers.

### Dependant

A spouse, civil partner, dependent child or nominated partner who qualifies to receive a Pension after you die.

### Final Year's Pensionable Pay

The highest year's Pensionable Pay you receive during the last three years of your employment. This is normally the Pensionable Pay for the last twelve months.

### Guaranteed Minimum Pension

As the Scheme is contracted out of the State Second Pension (S2P) (formerly known as the State Earnings Related Pension Scheme or SERPS), this is the minimum amount of Pension you will receive from the Scheme.

### HMRC

Her Majesty's Revenue and Customs (formerly the Inland Revenue).

### Ill Health Retirement

Being awarded a Pension due to being too ill to continue to work.

### Maximum Lump Sum

The maximum cash you can take from your Pension benefits when you retire. HMRC determine this as being 25% of your Pension Value.

### Minimum Retirement Age

This is the lowest age you can take your benefits. This is age 50 for members who were in the pre-October 2010 section before 6 April 2006 and age 55 for any new joiners from 6 April 2006.

### Normal Pension Age

The age at which you can choose to retire from the Scheme and have the full value of your Pension paid.

### Pension

An annual amount of income paid once you have retired from the Scheme.

### Pensionable Pay

The amount of your salary that is used to calculate the Contributions you pay and how much your Pension will be. Some members may have been restricted by a maximum amount (the earnings cap) set by HMRC for service between 1 June 1989 and 31 March 2008 when the limit was removed. Affected members will receive Pensions based on capped earnings before the change and uncapped earnings after 31 March 2008.

### Pensionable Service

The time you spend at work that counts towards your Pension.

### Pension Value

This is a definition of the value of your Pension as determined by HMRC and is calculated by multiplying your Pension by twenty and adding the value of your lump sum.

### Personal Pension

A separate pension that you can take out to save towards your retirement.

### Preserved Benefits

A Pension (and Retirement Lump Sum) that is due to be paid at a later date.

### Preserved Members

People who have left the Scheme but have not received their Pension.

### **Qualifying Service**

The time that you work for the Scottish Legal Aid Board that counts towards the benefits you can have.

### **Retirement Lump Sum**

A cash payment made at the time of retirement. Normally this is three times your Pension amount but you can choose to take a bigger lump sum and have a smaller annual Pension. There are some members whose lump sum may be less than three times their Pension if they were male and started service before 31 March 1973 or if they have elected to buy benefits for a spouse or partner by having a deduction from their lump sum.

### **Rules**

The legal framework that sets out the rules of the Scheme, The Legal Aid (Scotland) Pension Scheme Rules 1988 (as amended).

### **Revaluation Factor**

A way of increasing the recorded value of each year's pensionable earnings to maintain their buying power by reference to current earnings values. Historically these have been linked to the relevant earnings of each group. These have also been called Indexation Factors and Dynamising Factors.

### **Scheme**

In this guide, the Scheme refers to the Legal Aid (Scotland) Pension Scheme pre-October 2010.

### **SLAB Staff**

Employees working for the Scottish Legal Aid Board.

### **State pension**

A Pension paid when you reach State Pension Age based on your National Insurance payments or credits.

### **State Second Pension**

A separate part of the State pension based on the amount of your earnings since 6 April 1978 on which you have paid National Insurance contributions. The Scheme is contracted out of the State Second Pension.

### **Transfer**

Moving your pension benefits into or out of a pension scheme.

### **Voluntary Early Retirement**

Choosing to take your Pension earlier than the Normal Pension Age.

