

Police Pension Scheme

2023/05

- Who should read:**
- All HR and Payroll Managers, Pension administration staff who submit data to SPPA
- Action:** Read and circulate to all interested parties
- Subject:** Annual Benefit Statements 2023 now available
- Date:** 6 September 2023

The purpose of this circular is to inform employers that 2023 Annual Benefit Statements are available to active members on our online portal and to encourage the sharing of an update with members.

Please share the approved text on Annex A: Annual Benefit Statements update for members which highlights key information regarding Annual Benefit Statement 2023 to your members.

Frances Graham
Chief Operating Officer

Annex A: Annual Benefit Statements update for members

This page contains approved Annual Benefit Statement 2023 text for you to use via your own digital distribution channels.

Dear member

We are pleased to advise that the Scottish Public Pensions Agency has made available your Annual Benefit Statement for 2023. All active (in work) members of the Scottish Police Pension Schemes will receive an Annual Benefit Statement. You can view your Annual Benefit Statement by visiting the member portal: <https://memberportal.pensions.gov.scot/>.

Your Annual Benefit Statement includes:

- Accrued pension benefits
- Current level of death benefits
- Lifetime Allowance (LTA) information

To qualify for 2023 Annual Benefit Statement:

- you must have paid pension contributions between 1 April 2022 and 31 March 2023
- You must have been an active contributing member of the scheme at 31 March 2023 and at the point the statement is calculated

The McCloud judgement – 2015 Remedy

The UK government has now set out its approach to remedying the age discrimination found in the 2015 pension reforms. The approach taken will be in the form of a deferred choice underpin (DCU).

Under the DCU, members affected by the changes will remain in, or be returned to, their legacy schemes for service between 1 April 2015 and 31 March 2022. This is known as the remedy period. At the point of retirement (or when benefits become payable), eligible members will be given a choice as to which scheme benefits they wish to receive for service during the remedy period. Members who have retired since 1 April 2015 will also be presented with a choice.

From August 2024, if you are eligible for the 2015 Remedy, your Annual Benefit Statement will include a Remedial Service Statement that will provide you with benefit estimates for the final salary (legacy) scheme and reformed (CARE) scheme for the remedy period. This will mean you are better informed to make a choice regarding the benefits you wish to take for the remedy period when you retire.

Unfortunately, we are unable to answer specific member enquiries at this time but more information can be found in the 2015 Remedy section of our website at <https://pensions.gov.scot/2015-remedy> and you can also use the 2015 Remedy Modeller <https://mccloudpolicemodeller.pensions.gov.scot/>

Important: Please note that this year's Annual Benefit Statement provides an estimate of your pension benefits built up in your current scheme membership to **31 March 2022**.

More background information about the 2015 Remedy

On 1 April 2022 the Public Service Pensions and Judicial Offices Act 2022 (PSPJOA) came into force, and confirms that members will be returned to their final salary schemes for the period 1 April 2015 to 31 March 2022 in powers that will be enacted by **1 October 2023**. This is known as the retrospective remedy.

We understand that it will be disappointing to members that the current values of this year's statement will not be able to reflect the return to the legacy scheme for the remedy period, however the secondary legislation required to do this will not be in force until **1 October 2023**.

Your return to the legacy scheme will be reflected in your **2024** statement issued by 31 August for the year 1 April 2023 to 31 March 2024 after the legislation has passed.