

**2024 No.**

**PUBLIC SERVICE PENSIONS**

**The Local Government Pension Scheme (Scotland)  
(Amendment) (No. 2) Regulations 2024**

<i>Made</i>	- - - -	2024
<i>Laid before the Scottish Parliament</i>		2024
<i>Coming into force</i>	- -	29th June 2024

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 1(1) and (2)(c), 2, 3(1) to (3) and schedule 2, paragraph 3(b), of the Public Service Pensions Act 2013(a) and all other powers enabling them to do so.

In accordance with section 21(1) of that Act, the Scottish Ministers consulted the representatives of such persons as appeared to the Scottish Ministers likely to be affected by these Regulations.

**Citation, commencement and effect**

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Scotland) (Amendment) (No. 2) Regulations 2024 and come into force on 29 June 2024.

(2) These Regulations have effect from 1 June 2018 other than for the purposes of regulation 3(3) which has effect from 28 March 2024.

**Interpretation**

2. In these Regulations—

“the 2018 Regulations” means the Local Government Pension Scheme (Scotland) Regulations 2018(b), and

“exit credit” has the same meaning as in regulation 61(10) of the 2018 Regulations.

**Amendment of the 2018 Regulations**

3.—(1) Regulation 61 of the 2018 Regulations (special circumstances where revised actuarial valuations and certificates must be obtained) is amended in accordance with paragraphs (2) to (5).

(2) In paragraph (2)(b), for “exit credit payable to the exiting employer, in respect of those benefits”, substitute “the excess of assets in the fund relating to that employer over the liabilities specified in paragraph (2)(a)”.

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(a) 2013 c. 25. Sections 3(1) and (2) were amended by section 94(2) and (3) of the Public Service Pensions and Judicial Offices Act 2022 (2022 c. 7).

(b) S.S.I. 2018/141, relevantly amended by S.S.I. 2024/37.

(3) In paragraph (2A)(b), for “exit credit payable to such employer in respect of those benefits”, substitute “the excess of assets in the fund relating to that employer over the liabilities specified in paragraph (2A)(a)”.

(4) After paragraph (2C) insert—

“(2D) An administering authority must determine the amount of an exit credit, which may be zero, taking into account the factors specified in paragraph (2F) and must—

- (a) notify its intention to make a determination to—
  - (i) the exiting employer and any other body that has provided a guarantee to the exiting employer under paragraph 8 of Part 2 of Schedule 2 of these Regulations,
  - (ii) where the exiting employer is a body that has participated in the Scheme as a result of an admission agreement under paragraph 1(d) of Part 2 of Schedule 2 of these Regulations, the Scheme employer in connection with the exercise of whose function it was providing a service or assets, and
- (b) pay the amount determined to that exiting employer within six months of the exit date, or such longer time as the administering authority and the exiting employer may agree.

(2E) When an administering authority has paid an exit credit to an exiting employer, no further payments are due from that administering authority in respect of any surplus assets relating to the benefits in respect of any current or former employees of that employer as a result of these Regulations.

(2F) In exercising its discretion to determine the amount of any exit credit the administering authority must have regard to the following factors—

- (a) the extent to which there is an excess of assets in the fund relating to that employer over the liabilities specified in paragraph (2)(a),
- (b) the proportion of this excess of assets which has arisen because of the value of the employer’s contributions,
- (c) any representations to the administering authority made by the exiting employer and, where that employer participates in the scheme by virtue of an admission agreement, any body listed in paragraphs 8(a) to (d)(ii) of Part 2 of Schedule 2 of these Regulations,
- (d) any other relevant factors.”.

(5) In paragraph (10), in the definition of “exit credit” for “the amount required to be paid to the exiting employer by the administering authority”, substitute “any amount paid to the exiting employer by the administering authority”.

### **Transitional provision**

**4.** The amendments to the 2018 Regulations made by regulation 3 do not apply to exit credits that have been paid on or after 1 June 2018 and before 29 June 2024.

Authorised to sign by the Scottish Ministers

St Andrew’s House,  
Edinburgh

2024

## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Local Government Pension Scheme (Scotland) Regulations 2018 to create a discretion for administering authorities to determine the amount of an exit credit which should be payable to an employer leaving the Local Government Pension Scheme (Scotland).

No impact assessment has been produced for these Regulations because no impact on the private or voluntary sectors is foreseen.