

Police Pension Scheme

2025/05

Who should read:

- Scheme members eligible for McCloud remedy
- Employers
- Member representative bodies
- Pension and Scheme Advisory Boards

Action:

For information

Subject:

McCloud Remedy administration – Remediable Service Statements

Date:

31 July 2025

The purpose of this circular is to raise awareness of revised deadlines for the delivery of Remediable Service Statements to scheme members following the publication of [SPPA Police Circular 2025-04](#).

Background

Public service pension schemes were reformed in 2014/15, with final salary schemes closing and being replaced by schemes with benefits based on career average earnings. The changes did not apply to older members closest to retirement. However, in 2019 the Court of Appeal determined, in the McCloud judgement, that this amounted to age discrimination.

As a result of that ruling, significant legislative changes have been introduced to remedy the age discrimination that occurred during the ‘remedy period’ between 1 April 2015 and 31 March 2022. These changes, introduced by the Public Service Pensions and Judicial Offices Act 2022 (the 2022 Act) are known as the ‘McCloud remedy.’

The legislation that introduced the McCloud remedy stipulates that all members will be automatically returned to their previous pension scheme for the remedy period. They will then have the option to choose between receiving benefits from either the final salary scheme or from the career average earnings scheme for their pensionable service during the remedy period.

Members are to be provided with their choice of pension benefits set out in a Remediable Service Statement (RSS). Active scheme members will receive RSS for the duration of their career until retirement, and pensioner members will receive one RSS to give them a choice of the benefits payable to them now. Deferred members should also be issued with their RSS at this time and can request one each year until they claim their pension.

Under Section 29 of the 2022 Act, the legislative deadline to provide an RSS to all eligible members was on or before 1 April, or ‘by such later day as the scheme manager considers reasonable in all the circumstances in the case of a particular member or a particular class of member.’

This discretion provides scope for the scheme manager to go beyond that date in respect of certain classes of member.

The SPPA Police Circular 2025-04 published in April 2025 set out how SPPA, on behalf of Scottish Ministers as the Scheme Manager, was exercising the Section 29 discretion and raising awareness and understanding of delivery timescales for RSS based on the current delivery position and the introduction of new systems and technology designed to support and enable efficient and effective RSS provision.

Current position

The dates set out in Police Circular 2025-04 for the end of July 2025 were ambitious. We have progressed through significant remediation efforts and have made significant progress in delivery for the Police Schemes. For example:

- 83% of Immediate Choice Remediable Service Statements have already been issued;
- 71% of those members have submitted their choices and these have been processed;

However, it is now clear that we will not be able to fully meet the dates set in April 2025 for all members. The SPPA considers it is critical to ensure accurate RSS are issued and unfortunately for some members this may come at the expense of timeliness. However, we firmly believe it is preferable to extend dates now in the knowledge that these will be met. These second phase extensions are being set on the basis of carefully considered and robust assumptions, driven by the right prioritisation of scheme members.

The McCloud remedy remains the key business priority for the SPPA and our focus continues to be pensioner members who may be in receipt of benefits that are lower than they would be had the discrimination not occurred. However, our new automation services mean that other members with less complex calculations may also be provided with an RSS sooner.

We are sorry that these issues mean that some members will receive their RSS later than anticipated and recognise the impact this may have. We continue to work hard to deliver RSS as quickly as we can and these revised deadlines are designed to provide certainty and clarity.

The SPPA website will be updated to reflect the revised timescales set out in this circular and the details have already been shared with the Pensions Regulator and the Police Pension Board.

Delivery deadlines

Member Groups	RSS Extension
Ill Health retired	Majority completed by 31 October 2025, with remaining cases provided by 31 December 2025
Beneficiaries of deceased members	Majority completed by 31 October 2025, with remaining cases provided by 31 December 2025
Pension Sharing on Divorce, Transfers of Service into Scheme, Scheme Pays (covering AA charges), Lifetime Allowance Breaches, Periods of Previously Deferred Service, Additional Pension Arrangements	Majority completed by 31 October 2025, with remaining cases provided by 31 December 2025
Active	98% complete, with direct to member letters issuing to advise on progress within the annual provision cycle for ABS-RSS.
Deferred	Anticipated delivery for Deferred ABS-RSS by 31 October 2025

Stephen Pathirana
Chief Executive Officer
31 July 2025