



Scottish Public  
Pensions Agency  
Buidheann Peinnseanan  
Poblach na h-Alba

# **The Police Pension Scheme (Scotland): Miscellaneous Amendments 2026**

## **Consultation Response**

## Introduction

1. The Police Pension Scheme (Scotland) continues to be an integral part of the remuneration package and offers significant value in retirement to people who have chosen to dedicate part, or all, of their careers to police service in Scotland. As a defined benefit pension scheme, it offers the security of a guaranteed income in every year of retirement for all its members.
2. The Scottish Public Pensions Agency (SPPA) in its advisory capacity works with the Scottish Police Pension Scheme Advisory Board (SAB) to keep the pension scheme rules under review. This helps to ensure the pension scheme remains a valuable part of the overall remuneration package that helps to attract and retain police officers in this career.
3. The policy changes proposed in the recent consultation were split into three sections. Section one sought to introduce equitable treatment throughout the scheme membership in relation to ill-health retirement by proposing retrospective changes to ill-health eligibility. The provisions proposed are designed to allow members who were previously deemed ineligible for ill-health retirement provisions a time-limited opportunity to pay contributions to gain that entitlement.
4. Section two outlined a proposed change to the scheme revaluation date to align with the tax year. Currently, active members' benefits are revalued on an annual basis on 1 April, by reference to the Consumer Price Index (CPI) plus 1.25% (or CPI for deferred members). This change can help ease the impact of pension taxation on scheme members.
5. Section three identified minor typographical amendments required to the Police Pensions (Remediable Service) (Scotland) Regulations 2023.
6. This report summarises the responses received to the consultation on proposed Miscellaneous Amendments to the Police Pension Scheme (Scotland). It draws upon responses received by stakeholders representing police pension interests in Scotland. Responses were received from the following organisations:
  - Association of Scottish Police Superintendents (ASPS)
  - Heywood Pension Technologies (HPT)
  - Police Scotland / Scottish Police Authority (PS/SPA)
  - Scottish Police Federation (SPF)
  - SPPA Administration Team (SPPA)
7. The Scottish Government is grateful for the responses received and would like to thank all respondents for their detailed contributions.

## Summary of Responses by Question

### SECTION ONE – RETROSPECTIVE ILL-HEALTH ENTITLEMENT

8. Question 1 - “Do you agree that the period of six months is a reasonable timescale for affected officers to make an election?”

9. Respondents agreed that six months is a reasonable timescale. SPF, ASPS, PS/SPA and SPPA all expressed agreement. Heywood did not raise any objection, noting that the proposed six months period aligns with comparable exercises.

10. SPPA emphasised that the proposed implementation timing poses operational challenges due to competing priorities such as McCloud Remedy and other statutory remedial and implementation work required across the four schemes administered by SPPA.

11. Question 2 - “Do you agree that five years is a reasonable timescale for repayment of contribution shortfalls?”

12. All responding organisations broadly agreed that five years is a reasonable timescale. SPF and ASPS supported the timeframe but highlighted the need for flexibility, including the ability to repay at retirement or through bespoke payment plans. PS/SPA emphasised alignment with existing regulatory timeframes and requested clarity regarding contingencies for members unable to complete repayment. SPPA raised some additional considerations, including tax relief implications and the regulatory intent regarding interest. Heywood raised no objections but raised the view that the five-year period was not clearly reflected in the draft SSI provided in the consultation.

### SECTION TWO – SCHEME REVALUATION DATE

13. Question 3 - “Do you agree that the revaluation date should be changed to 6 April to align with the tax year?”

14. Responses to this question were in agreement with the principle of changing the scheme revaluation date but strong concerns about implementation timing and the practical impacts of implementing the change at the proposed date were raised.

15. SPF, ASPS, and PS/SPA supported alignment with the tax year to reduce annual allowance distortion but raised questions in relation to transitional protections for members retiring or dying between 1–5 April in the year of implementation and of potential detriment for near-retirees. SPPA agreed with the intent but did not support the proposed timing, citing multiple operational pressures and raising the risk of manual processing, delays, and applying inconsistent treatment across pension schemes. Heywood expressed significant concerns, stating that it would not

be possible to deliver the required software changes by April 2026, as a 6–12-month lead time is required. Heywood urged alignment with the equivalent scheme in England & Wales, where implementation will not be before April 2027. Heywood asked whether the proposed drafting in the SSI was sufficiently robust as amendments delivering similar changes in the Local Government Pension Scheme contained more detailed provisions.

16. Question 4 - “Do you have any other comments to make about the proposed changes that are not already addressed in the response?”

17. No further comments were made by SPF, PS/SPA, SPPA or Heywood. ASPS sought clarity on the timing of the revaluation date change, and whether it would affect the 2026 or 2027 tax year.

### **Scottish Government Response**

18. The Scottish Government again thanks all respondents for the time and expertise they contributed to this consultation.

19. Having considered the full range of responses received, the Scottish Government will proceed with implementing the proposed miscellaneous amendments to the Police Pension Scheme (Scotland). The feedback in the consultation responses demonstrates broad support for the measures relating to the retrospective correction of ill-health contributions, in particular there was agreement on election timescales and repayment arrangements.

20. There was also broad agreement on the proposed alignment of revaluation with the tax year. However a significant number of respondents raised concerns about the practicality of implementing the change to the revaluation date by 6 April 2026, highlighting that there would be insufficient system development lead time, resource constraints due to other major pension projects, risks of detriment to members crystallising benefits between 1–5 April, and inconsistencies with the implementation timetable in the equivalent police pension scheme operating in England and Wales.

21. In light of this feedback, the Scottish Government will implement the alignment of the scheme revaluation date from 6 April 2027. This timeline will allow the system provider and administrators adequate time to prepare for the implementation of this amendment, will minimise the risk to members and will align with the position across the rest of the UK police pension schemes.

22. The following paragraphs set out the Scottish Government’s position in relation to the specific questions raised by respondents in their responses.

23. PS/SPA asked for clarity regarding contingencies for members unable to complete contribution repayments. It is proposed that in line with other areas of

administration, members in this position will be given the opportunity to offset the balance of the contributions against their lump sum payment on retirement, or alternatively that their contributions paid to date (if any) can be refunded and no benefit will be received.

24. Several respondents raised concerns that the draft amendments did not include a provision supporting transitional protections for members retiring or dying between 1–5 April in the year of implementation. This is an area that is being considered further and if additional requirements are identified these will be implemented by 6 April 2027.

25. Heywood questioned the detail of the proposed amendments in relation to the change to the revaluation date. The Scottish Government's view is that there is no requirement to add any additional Regulations to implement this policy change as the change of date will be made by Treasury Order in the year of implementation. The next Treasury Order in relation to public service pension scheme revaluation will be published in early 2027. The draft Regulations which were included in the draft SSI in the consultation will be removed from the official Regulations.

26. ASPS asked for clarity on which year the alignment of the revaluation date would be operational. Given the requirements set out above, the year that the alignment of the revaluation date will take effect is from 6 April 2027 so the tax year 2026/27 will be in alignment with the scheme revaluation date for the purposes of calculating the pension input amounts. The illustration in annex A below shows the effect of this.

## **Conclusion**

27. The consultation process has provided valuable insight into the implications of the proposed changes. The Scottish Government remains committed to ensuring that the Police Pension Scheme (Scotland) continues to operate fairly, efficiently, and in the best interests of its members. All proposals will be implemented, with the ill-health contributions exercise taking place from April 2026 and alignment of the scheme revaluation date scheduled for 6 April 2027, reflecting the constructive feedback from stakeholders. The Scottish Statutory Instrument was laid in the Scottish Parliament on 6 February 2026 and will come into force on 1 April 2026: [<https://www.legislation.gov.uk/ssi/2026/58/contents/made>].

## The Equality Duty

28. The public sector equality duty (PSED) requires the Scottish Government to assess the impact of applying any new or revised policy and to have 'due regard' for the need to eliminate discrimination, advance equality of opportunity and foster good relations between people with different protected characteristics and others when carrying out their activities.

29. The proposed alignment of the police pension scheme revaluation date with the tax year is a change which benefits all members equally and presents no differential impact on protected groups. Therefore, a full impact assessment for this element of the consultation was not deemed necessary. Analysis of the effect of this change is shown in annex A below.

30. Similarly, providing retrospective access to ill-health entitlements impacts a small number of police officers and corrects an element of scheme provision that would otherwise lead to unequal outcomes between scheme members. However, an analysis of this policy change against the protected characteristics has been undertaken.

31. The Scottish Government has commissioned the Government Actuary's Department (GAD) to provide an analysis to support the equality impact of the proposed changes for the nine protected characteristics identified in The Equality Act 2010: sex, age, disability, race, religion or belief, gender reassignment, pregnancy and maternity, sexual orientation, and marital or civil partnership status. To do this GAD used data provided by Police Scotland to identify the protected characteristics of the 36 members identified as being impacted by this policy, and measured this against the overall scheme membership from provisional data provided to carry out the 2024 scheme valuation. This is the most recent scheme data available, but it will not be finalised until the 2024 valuation is concluded.

32. The findings should be interpreted with caution, as the affected group comprises only 36 members and represents a very small proportion of the total non-pensioner membership.

33. The assessment was able to provide an analysis of the first two characteristics, age and sex. However, there is insufficient data available to assess the other seven characteristics due to the limitations of the data set and the low number of impacted scheme members.

34. Observations from the analysis carried out show that under the age profile, the impacted group appear overall to be younger than the wider non-pensioner membership of the police pension scheme. This suggests the policy may help address age discrimination.

35. In the analysis of the impacted group against the wider non-pensioner scheme membership, it was observed that the sex profile is similar for both groups so there does not appear to be any impact on the protected characteristic of sex.

36. The analysis of age and sex profiles combined shows that impacted males are represented widely in the age range 25-39 with females being more widely represented in the age range 25-44. There are no impacted members in the age range of 50 and above which supports the earlier observation that this policy change will benefit those impacted scheme members who are younger than the wider scheme membership.

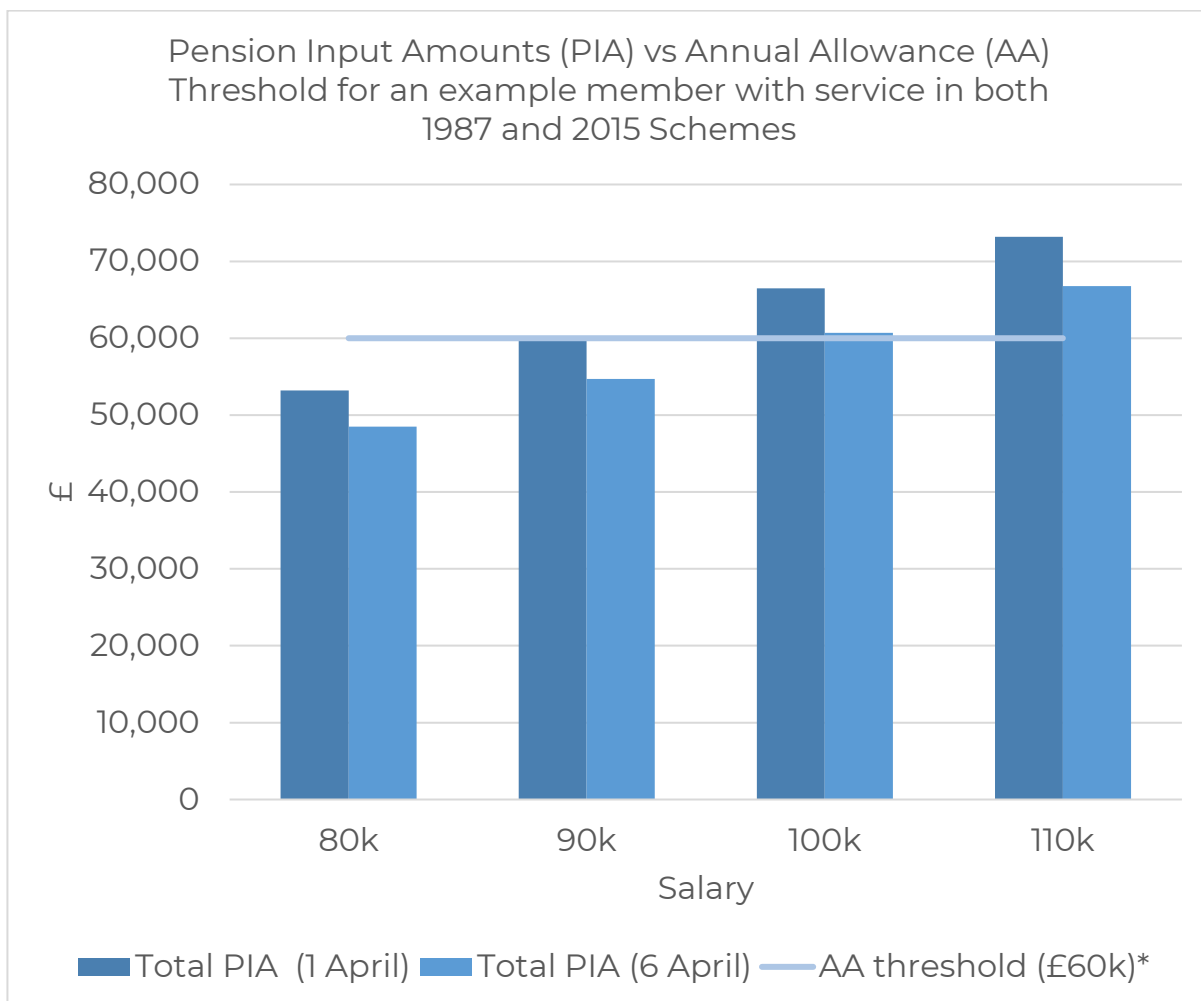
37. The full analysis carried out by GAD has been published alongside this consultation and can be viewed and downloaded from the SPPA website.

**Annex A – Revaluation date analysis**

The chart below compares the Pension Input Amounts (PIA) against the current Annual Allowance (AA) threshold of £60,000, for an example member under two different revaluation dates, 1 April 2026 and 6 April 2026, across a range of salary levels. In this example, this full-time member has 22 years’ service in the 1987 Scheme and 4 years’ service in the 2015 Scheme, with continuity of service. The chart shows the total PIA which is the sum of:

- 1987 Scheme PIA - representing pension growth under the legacy scheme
- 2015 Scheme PIA - representing pension growth under the CARE scheme

The combined PIA for both schemes increases steeply with salary, reflecting both the impact of final salary uplifts in the 1987 Scheme and accrual in the 2015 Scheme. Across all salary levels, moving the revaluation date from 1 April to 6 April produces a consistent reduction in total PIA. For this example member, at £90,000, the 1 April value sits exactly on the threshold, while the 6 April figure falls just under it, potentially avoiding an annual allowance tax charge. For salaries of £100,000 and above, PIAs are above the threshold, but the 6 April figures are closer to it, reducing the extent of the excess.



\* Actual PIA will vary depending on each officer's individual circumstances, including their service history, pay, changes in pay due to promotion or step increases, and the timing of such changes. Personal tax positions may also be affected by the availability of carry forward from unused AA in previous tax years, which can significantly alter whether an AA charge is triggered. This example is intended solely to demonstrate the potential effect of changing the revaluation date from 1 April to 6 April in the 2025/26 tax year, and should not be taken as representative of every member's outcome.

The table below sets out the Consumer Prices Index (CPI) figures for September in each relevant year, which are used for the PIA calculations in the examples.

Date	CPI
September 2024	1.7% <sup>1</sup>
September 2025	3.8% <sup>2</sup>

It is assumed the example member has received annual salary increases (including an increase of 4% 2025), but no promotional increase.

The table below presents the same information as the chart but in a table format.

Salary	Total PIA* (1 April)	Total PIA* (6 April)
80k	53,200	48,500
90k	59,900	54,700
100k	66,500	60,700
110k	73,200	66,800

<sup>1</sup> [The Public Service Pensions Revaluation Order 2025](#)

<sup>2</sup> [Benefits Uprating 2026/27 - House of Commons Library](#)