

The Local Government Pension Scheme (Scotland) Regulations 2018



RESPONDENT INFORMATION FORM

Please Note this form **must** be returned with your response to ensure that we handle your response appropriately

1. Name/Organisation

Organisation Name

North East Scotland Pension Fund

Title Mr Ms Mrs Miss Dr *Please tick as appropriate*

Surname

Suttie

Forename

Mairi

2. Postal Address

Level 1, 2MSq

Marischal Square

Broad Street

Aberdeen

Postcode AB10 1LP

Phone 01224264264

Email Pensions@nespf.org.uk

3. Permissions - I am responding as...

Individual

/ Group/Organisation

Please tick as appropriate

- (a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate Yes No

- (b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick ONE of the following boxes

Yes, make my response, name and address all available

or

Yes, make my response available, but not my name and address

or

Yes, make my response and name available, but not my address

- (c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate Yes No

- (d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate

Yes

No

The Local Government Pension Scheme (Scotland) Regulations 2018



1. Early payment of pension at age 55 - these regulations allow deferred members of earlier schemes to elect for early payment of their benefits between age 55 and 60 without needing their former employer's consent. This also applies to pension credit members who were awarded the credit under the Earlier Schemes to be able to elect to receive their benefits early, at a reduced rate, on or after age 55.

No comments, the regulations appear to deliver the policy intent

2. Calculation of 'the Underpin' - the regulations also clarify how to carry out the calculation of the protection known as 'the underpin', taking into account the actuarial increase/reduction when considering the better of the two benefit options for the member on retirement.

No comments, the regulations appear to deliver the policy intent

3. Survivor Benefits Walker & Goodwin Judgements - the regulations amend the calculation of survivor partner pensions so that surviving civil partners, survivors of married same-sex couples and male survivors of female married members are placed in a similar position to female survivors of male married members.

The regulations appear to deliver the policy intent.

However should an additional amendment be made to Regulation 17(4) to include the newly added paragraph (16)? i.e. amend wording from 'Subject to paragraphs (9) to (15)'.

Regulation 5(c) – feel the wording here could be clearer/simpler to read

The Local Government Pension Scheme (Scotland) Regulations 2018



4. Further Flexibilities for Fund Authorities - these regulations provide further flexibilities for fund authorities in dealing with employers and allow for amendments to an employer's contribution rate in between valuations.

These changes are welcomed by the Fund and seem to mirror the England and Wales regulation changes that were brought in during 2020. The regulation changes appear to reflect the policy intent and will provide consistency across the Scheme. The need to outline the Fund approach within the Funding Strategy Statement will also provide transparency for employers.

5. Cost Cap - in order for GAD to finalise the result of the 2017 valuation, the cost cap figure is amended, with retrospective effect, to 1 April 2015.

We have no comments on this as we feel it is for the actuaries to reflect on appropriateness.

Thank you for your comments.

Additional Comments (not covered by above):

1. The Regulations currently allow 2018 scheme members to take a de minimus (small pot) payments. A footnote was added to 33(1) of the 2018 Regulations in the Draft Local Government Pension Scheme (Miscellaneous Amendments)(Scotland) Regulations 2019 that would have covered the earlier schemes, however this was removed in the final regulations. We do not believe it would be policy intent for only members who left on or after 01/06/2018 to be allowed to take de minimus payments, therefore this would be the perfect opportunity to amend this.

The Local Government Pension Scheme (Scotland) Regulations 2018



2. Regulation 4(2)(b)(iii) of the 2014 Transitional Regulations is referring to the flexible retirement regulation and should therefore refer to 31(5) of the 2018 Regulations. A response was given stating that this had been amended following the consultation on the Local Government Pension Scheme (Miscellaneous Amendments)(Scotland) Regulations 2019, however it didn't appear to be amended in the final regulations. The wording 'or Regulations 31(4) of the 2018 Regulations should be changed to 'or Regulation 31(5) of the 2018 Regulations'.
3. Per Regulation 9(6) of the 2018 Regulations, any pension benefits must be in payment *before* the 75th birthday as contributions can't be made on or after the day before the 75th birthday.
 - a) Suggestion to reword 29(4) of the 2018 Regulations to '...must have their retirement pension paid from the day before age 75' or similar.
 - b) Suggestion to reword 29(4) of the 2018 Regulations to '...begins with the day before the member's 75th birthday' or similar.