

SPN/LG CIRCULAR No.1/2007

The Secretary General
Convention of Scottish Local Authorities

The Chief Executive
Scottish Local Authorities

The Chief Executive
Water Authorities

The Principal Reporter
Scottish Children's Reporter Administration

The Chief Executive
Scottish Environment Protection Agency

The Director General
Strathclyde Passenger Transport Executive

The Clerk
Strathclyde Passenger Transport Authority

Payroll Department
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Your ref:
Our ref: LGT/01/15/00

8th January 2007

Dear Sir/Madam

THE LOCAL GOVERNMENT (DISCRETIONARY PAYMENTS AND INJURY BENEFITS) (SCOTLAND) AMENDMENT REGULATIONS 2006 - SSI. 2006/609.

I am writing about the above mentioned Amendment Regulations which come into force on 29th January 2007 and have retrospective effect from 1st December 2006. These regulations amend the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998.

A copy of these amendment regulations can be accessed via the following link, [SSI 2006/609](#) additional copies can also be purchased from the Stationery Office.

Effect of the Regulations

The new regulations remove the formula that currently determines, upon the basis of age and service, the level of discretionary lump sum compensation that can be provided in the case of early retirement on grounds of efficiency or redundancy, but there is no change in the maximum limit that can be awarded, which remains at 66 weeks pay. The circumstances under which payments may be made and the level of such payments will be a matter of policy on the part of the employer. The

Regulations also remove some age and service related pre-conditions for the payment of compensation.

The opportunity has also been taken to remove references to the Redundancy Payments Pensions Regulations 1965, which have been revoked.

Consultation Process

The consultation process was conducted from 16 October to 15 November 2006, there were no significant comments received on the proposals. Technical points were taken into account when the Regulations were finalised.

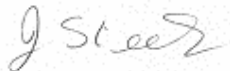
Executive Note

The Stationery Office now publish an Executive Note alongside new Regulations. The Note briefly describes a Statutory Instrument and its purpose, and is prepared for the information of Parliamentary Committees which examine proposed regulations. This can be accessed for these Regulations by clicking the following link. [Executive Note](#)

Please draw this circular to the attention of Pension Managers and Superannuation Sections. You may also wish to draw it to the attention of the Directors of Finance and Administration.

Any enquiries regarding this circular and the amending SSI should be made to David Lauder by telephone on 01896 893227 or by e-mail to david.lauder@scotland.gsi.gov.uk .

Yours faithfully



JEAN STEEL
Policy Officer, LGPS