Finance Committee

5th Report, 2015 (Session 4)

Report on subordinate legislation

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Finance Committee

Remit and membership

Remit:
1. The remit of the Finance Committee is to consider and report on-

   (a) any report or other document laid before the Parliament by members of
   the Scottish Government containing proposals for, or budgets of, public
   expenditure or proposals for the making of a tax-varying resolution, taking
   into account any report or recommendations concerning such documents
   made to them by any other committee with power to consider such
   documents or any part of them;

   (b) any report made by a committee setting out proposals concerning public
   expenditure;

   (c) Budget Bills; and

   (d) any other matter relating to or affecting the expenditure of the Scottish
   Administration or other expenditure payable out of the Scottish
   Consolidated Fund.

2. The Committee may also consider and, where it sees fit, report to the
Parliament on the timetable for the Stages of Budget Bills and on the handling of
financial business.

3. In these Rules, "public expenditure" means expenditure of the Scottish
Administration, other expenditure payable out of the Scottish Consolidated Fund
and any other expenditure met out of taxes, charges and other public revenue.

*(Standing Orders of the Scottish Parliament, Rule 6.6)*

Membership:

Richard Baker (from 14 January 2015)
Gavin Brown
Malcolm Chisholm
Kenneth Gibson (Convener)
Jamie Hepburn (until 25 November 2014)
John Mason (Deputy Convener)
Mark McDonald (from 26 November 2014)
Michael McMahon (until 13 January 2015)
Jean Urquhart

Committee Clerking Team:

Clerk to the Committee
Jim Johnston

Senior Assistant Clerk
Catherine Fergusson

Assistant Clerk
Alan Hunter

Committee Assistant
Tom Williams
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The Committee reports to the Parliament as follows—

1. At its meeting on 25 February, the Committee considered the following statutory instruments—

   - The Firefighters’ Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015
   - The National Health Service Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015
   - The Police Pensions (Consequential Provisions) (Scotland) Regulations 2015
   - The Teachers’ Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015

2. The instruments relate to the new public service pensions scheme which is being introduced under the Public Service Pensions Act 2013. Each of the instruments contains provisions in relation to—

   - contracting-out;
   - pensionable service and early leavers; and
   - ill-health benefits.

3. Additionally, the regulations on Police and Firefighters’ Pension Schemes make provision in relation to the deferred pension age for the uniform services. The Teachers’ Pension Scheme Regulations also address early retirement benefits and short service benefits.

4. The Committee took evidence on the instruments from John Swinney MSP, Cabinet Secretary for Finance, Constitution and Economy. The instruments make provisions that are consequential on provisions in the main regulations for each
scheme but, with the exception of the Teachers' Pension Scheme, the main regulations were laid after the instruments considered in this report.

5. The Delegated Powers and Law Reform brought this to the attention of the Committee as a matter of general legislative practice in that Parliament was being asked to give a view on the consequential provisions without sight of the substantive schemes to which they relate. The Committee sought an explanation from the Cabinet Secretary as to why this had happened in this instance.

6. The Cabinet Secretary explained that the issue had arisen as a result of the emergence of new material that came to light in the drafting of the main regulations. The Cabinet Secretary further explained that the consequential provisions were made “to ensure that pensioners maintain existing rights from 31 March into 1 April” but that he was “keen to ensure” that the same circumstances did not arise again.

7. Following evidence the Cabinet Secretary moved the following motions—

- S4M-12363—That the Finance Committee recommends that the Firefighters' Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015 be approved;
- S4M-12364—That the Finance Committee recommends that the Police Pensions (Consequential Provisions) (Scotland) Regulations 2015 be approved;
- S4M-12365—That the Finance Committee recommends that the Teachers' Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015 be approved; and
- S4M-12366—That the Finance Committee recommends that the National Health Service Pension Scheme (Consequential Provisions) (Scotland) Regulations 2015 be approved.

8. The motions were agreed to.
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