

*These notes relate to the Scottish Parliamentary Pensions Act 2009 (asp 1) which received Royal Assent on 25 February 2009*

# SCOTTISH PARLIAMENTARY PENSIONS ACT 2009

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Schedule 2 grants Payable on Leaving Office*

##### *Paragraph 3: Amount of MSP grants*

472. Paragraph 3 sets out the calculations which determine the amount of the MSP resettlement and the MSP ill-health retirement grants. Both grants are calculated in the same way.
473. Paragraph 3(1) provides that, subject to a minimum of 50%, the amount of grant payable is the percentage of the annual salary paid when the MSP ceased being an MSP, which is equal to one month's salary for each complete continuous year of service as an MSP. The maximum period of service counted is 12 years.
474. Paragraph 3(2) reduces the period of service taken into account in the calculation of the grant payment to MSPs who were also in receipt of a salary as a member of the House of Commons or the European Parliament ("dual mandate MSP") at any time during that period. The effect of paragraph 3(2) is to reduce the relevant period of service by the same proportion that their MSP salary was reduced during that period. The current proportion is a reduction of salary by two-thirds,<sup>1</sup> so, for example, if an MSP had been a dual mandate Member for three years, the period counted for calculation of a grant would be reduced by two years.
475. Under the Grants Order, periods of service of dual mandate MSPs are not treated differently to other MSPs. Paragraph 3(3) is a transitional provision which ensures that periods of service already accrued by those MSPs currently serving in the Parliament and accrued until the first general election after that paragraph comes into force, will not be reduced in accordance with paragraph 3(2).

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<sup>1</sup> Scottish Parliament. *Official Report*, 21 March 2002, Col 10598 <http://www.scottish.parliament.uk/business/officialReports/meetingsParliament/or-02/sor0321-01.htm>