

ANNEX A: Summary of Key Proposals

Issue	Status Quo	Proposals for Independence
1. State Pensions	<p>Basic State Pension retained for those over retirement age</p> <p>From April 2016, new pensioners will receive the single-tier pension.</p>	<p>Basic State Pension retained for those over retirement age. The value of the BSP is estimated to be at least £118.60 in 2016/17.</p> <p>From April 2016, new pensioners will receive the Scottish single-tier pension.</p>
2. State Pensions	All Additional State Pension will be paid and uprated in line with CPI inflation as now.	All Additional State Pension will be paid and uprated in line with CPI inflation as now.
3. State Pensions	Basic State Pension will be uprated by Triple Lock to 2015.	The Basic State Pension will be uprated by Triple Lock , for at least for the first term of an independent parliament.
4. State Pensions	The single-tier pension would be uprated by average earnings.	The single-tier pension will be uprated by the Triple Lock for at least for the first term of an independent parliament.
5. State Pensions	The single-tier pension is estimated to be at £158.90 per week, if uprated by at least 2.5 per cent up to 2016/17.	The single-tier pension is to be set initially at £160 per week , or at the level of the UK single-tier pension if this is higher.
6. State Pensions	Guarantee Credit uprated by average earnings.	Guarantee Credit would be uprated by the Triple Lock for at least for the first term of an independent parliament.
7. State Pensions	Savings Credit to be abolished for new pensioners from 2016 on the move to the single-tier.	Savings Credit would be retained for all pensioners and uprated by earnings .

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8. State Pensions	UK White Paper sets out review of SPA every five years.	An Independent Commission would be established in the first year of an independent parliament. This would advise on the appropriate pace of increase in the Scottish SPA (beyond 66).
9. State Pensions	UK SPA will increase for women to 65 (equalisation) by Dec 2018. SPA for men and women will increase to 66 by Oct 2020. And to 67 between 2026-2028.	The Scottish Government will reserve judgment on the UK Government's timetable for the increase in SPA to 67 until it has considered the findings of the Independent Commission.
10. State Pensions	Some spouses will be worse off because husband/wife State Pension entitlement will not be able to be used under the single-tier pension.	Provision would be retained based on spouse contributions for 15 years after the introduction of the single-tier pension.
11. State Pensions	Individuals will continue to be able to defer their BSP and single-tier pensions to receive a higher payment at a later date.	Individuals will continue to be able to defer their BSP and single-tier pensions to receive a higher payment at a later date.
12. State Pensions	DWP Pension Centres in Motherwell and Dundee are responsible for paying State Pensions to everyone in Scotland and some in England.	Pension Centres in Motherwell and Dundee will remain responsible for paying State Pensions to everyone in Scotland (and some in England, for a transitional period).

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13. State Pensions	Entitlement to a UK State Pension is based on years of NI credits built up in the UK.	<p>People living in Scotland on independence would be entitled to the Scottish State Pension based on years of NI credits built up in the UK.</p> <p>After this date, entitlement built up in Scotland would accrue to the Scottish State Pension.</p>
14. Private Pensions	Entitlements to private pensions as now.	No change to individuals' private pension rights and accrued entitlements.
15. Private Pensions	UK-wide pension schemes do not operate as cross-border unless shared with another EU State.	UK-wide pension schemes would qualify as cross-border schemes, where at least some scheme members were employed in Scotland. This would be resolved by negotiating sensible transitional arrangements.
16. Private Pensions	Pensions Regulator and Financial Conduct Authority provide protection for private sector pension scheme members.	The Scottish Government would set up a Scottish Pensions Regulator which would maintain a pan-UK approach to the regulation of private pensions.
17. Private Pensions	Pension Protection Fund (PPF) continues.	This Scottish Government's preference is to maintain current arrangements for the PPF, but with the option of establishing a Scottish PPF.
18. Private Pensions	Financial Assistance Scheme (FAS) continues.	This Scottish Government's preference is to maintain current arrangements for the FAS.

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<p>19. Private Pensions</p>	<p>Complaints are handled by both the Financial Ombudsman Service and the Pensions Ombudsman.</p>	<p>An independent Scotland could create a single Scottish Ombudsman Service;</p> <p>OR, financial services complaints could be handled separately by a Scottish Financial Services Ombudsman, combining the current functions of the Financial Ombudsman Service and the Pensions Ombudsman.</p>
<p>20. Private Pensions</p>	<p>Automatic enrolment being rolled out across UK from Oct 2012.</p>	<p>Arrangements continue in Scotland as planned for UK. Future choices on this for future Scottish Governments.</p>
<p>21. Private Pensions</p>	<p>National Employment Savings Trust (NEST) provides a workplace scheme for people on low / moderate incomes.</p>	<p>A Scottish equivalent of NEST would be set up.</p>
<p>22. Private Pensions</p>	<p>Limited action on boosting financial capability.</p>	<p>A Financial Capability Strategy would be launched.</p>
<p>23. State, Private and Public Pensions</p>	<p>Limited pension information is provided.</p>	<p>An independent Scottish Government would be able to act to improve pension information.</p>
<p>24. Private Pensions</p>	<p>No announced plans for changes to tax relief.</p>	<p>Tax relief arrangements continue at point of independence. However, there will be opportunities for a future Scottish Government to reform tax relief arrangements.</p>

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<p>25. Public Sector Pensions</p>	<p>All rights and entitlements to public service pensions continue to be protected.</p>	<p>All rights and entitlements to public service pensions continue to be protected.</p>
<p>26. Public Sector Pensions</p>	<p>Responsibility for the financial management of the Scottish NHS and Teachers schemes is held by HM Treasury.</p>	<p>Responsibility for the financial management of the Scottish NHS and Teachers schemes is held by the Scottish Government.</p>
<p>27. Public Sector Pensions</p>	<p>UK Government has responsibility for the pensions of some public servants working in Scotland.</p>	<p>The Scottish Government has responsibility for the pensions of all public servants working in Scotland, including civil servants and military staff.</p>
<p>28. Public Sector Pensions</p>	<p>The normal pension age for most public servants is their State Pension Age.</p>	<p>Future Scottish Governments could more fully consider the impact State Pension Age policy is having on the working and retirement patterns of Scotland's public servants.</p>
<p>29. Public Sector Pensions</p>	<p>Uniformed services receive pensions at different ages.</p>	<p>Future Scottish Governments could consider the pension terms of all 'uniformed' services, including whether they should be able to access their occupational pension at a consistent age.</p>
<p>30. Public Sector Pensions</p>	<p>Normal Pension Age begins to increase to 67 from 2026.</p>	<p>This Scottish Government would reserve judgement on the SPA move to 67 until an independent commission on SPA had reported. This would have implications for Normal Pension Age.</p>