

Scottish Firefighters' Pension Scheme Advisory Board

MINUTES

Date: 8 June 2021

Location: Microsoft Teams

Chair: Tom Nash (SPPA)

Attendees: Chris McGlone (CMcG), Fire Brigades Union
Mark Rowe (MR), Fire Brigades Union
Glyn Morgan (GM), Fire Officers' Association
Nicola Hector (NH), Scottish Fire and Rescue Service
George Lindsay (GL), Scottish Fire and Rescue Service

Scottish Government/Scottish Public Pensions Agency Officials:

Iain Coltman (IC), SPPA
Finn Mackenzie (FMck), SPPA
Claire McGow (CMc), SPPA
Clare Campbell (CC), SPPA
Derek Smith (DS), SG SCD: Fire & Rescue Unit

Government Actuary's Department:

Anne-Marie Pettie (AP)
George Russell (GR)

Observer: Claire Hey (CH), Local Government Association

Apologies: Brian Baverstock (BB), Scottish Fire and Rescue Service
Gordon McQuade, Fire Brigades Union
Clair Alcock (CA), Local Government Association
Sean Starbuck (SS), Fire Brigades Union
Lorna Smith (LS), SG SCD: Fire & Rescue Unit

Secretariat: Molly Wyllie, SPPA

1. Welcome

1.1 The Chair welcomed everyone to the Scheme Advisory Board (SAB) meeting and noted apologies.

2. Conflicts of interest

2.1 No new conflicts of interest declared.

3. Minutes and actions of previous meeting

3.1 Minutes of the meeting of 16 March 2021 were adopted without amendment.

Action points were reviewed and the following noted:

- Action **31** of 04/2017 – agreed to close

- Action **32** of 05/2017 – agreed to close
- Action **35** of 08/2017 – SAB agreed they may wish to consider a review of the member contribution structure at a later stage when implications of 2015 remedy are clearer – remains open
- Action **55** of 02/2020 – information from changes made to Teachers’ opt out form to be gathered and shared – propose to close
- Action **56** of 02/2020 – CMcG advised the intention is to discuss this further – remains open
- Action **66** of 03/2021 – letter issued 6 April 2021 – action closed

4. Cost Cap Assumptions and Review of Cost Cap Mechanism and SCAPE

4.1 Cost Cap Assumptions

The Chair advised that the presentation had been provided to allow the SAB to review and provide comments or concerns related to the assumptions recommended for use by GAD in the re-run 2016 cost cap valuation. The Chair noted that SPPA were minded to accept these as being reasonable and fair. The Board agreed the recommendations.

4.2 Review of Cost Cap Mechanism and SCAPE

AP advised that HMT were due to issue two consultations in the coming weeks: the first would set out proposals in relation to a review of the operation of the cost cap mechanism, and would build on recommendations contained in a review of this mechanism that had been carried out by the Government Actuary. The second consultation would set out proposals in relation to the methodology to be used to set the SCAPE discount rate for valuations.

DS asked if SG were responding. IC confirmed that the Chief Secretary to the Treasury would write to Ministers. IC confirmed that SPPA could provide a brief to support board members and the SAB would be invited to respond.

5. Update on 2015 Remedy

- 5.1 IC advised that the paper provided a background to the current position and timeline for 2015 Remedy. IC also advised that additional resource had been recruited and introduced FMck to the Board as policy lead on 2015 Remedy.
- 5.2 As noted in the paper, the Remedy Bill is anticipated in July and there are two phases to the secondary legislation – 1. Prospective and 2. Retrospective. To support the work around this project, a Programme Board has been created. The focus would be on communications and engagement, and FMck would be working with SFRS to consider communications to members. In addition, a small working group may be set up to work with other groups.
- 5.3 IC advised that the issues with the Immediate Detriment guidance remain unresolved. However, SPPA are engaging with HMT and Home Office and anticipate that revised guidance will be issued soon.
- 5.4 FMck confirmed he would be developing a communications and engagement plan to ensure members understand the proposals and further consideration was needed as to

how best to engage with members, in general. His first task is to review and update the current FAQs on the SPPA website. TN noted that it was important to provide members and employers with a consistent message and it would be useful to pool any questions raised. CH stated that it would be helpful to have a joint working group with English Fire SAB to collaborate on communications and ensure consistent messaging. The group agreed that a joint working group would be a good idea and that TN would approach the Chair of the English SAB on the subject.

- 5.5 TN advised that, as previously stated, SPPA were waiting on guidance from HMT for Immediate Detriment cases. However, there may be a need to have a solution without knowing the full impact on tax. This would require working closely with employers to highlight cases that would need to be revisited. NH added that there were already cases and that members were aware of the issues

Action 67: Chair to write to the chair of the English Fire SAB to suggest working collaboratively on Remedy Engagement and Comms. [Post meeting note: completed 14 Jun 21].

6. AOB

- 6.1 GL advised that the a new 'Instructor Allowance' had been agreed at 10% of gross salary and will be a pensionable allowance. This will involve approximately 180 members and will be in place from 1 July 2021. GL advised this would be shown as an allowance for the relevant post on the members' record and would be paid for the duration of that qualifying post.

7. Dates of future meetings

- 7.1 Date of next meeting to be confirmed. In the meantime, the Chair advised the Board that they would be updated with any changes to:
- 2015 Remedy
 - Immediate Detriment guidance from HM Treasury
 - Consultations

No other business was raised. The Chair thanked everyone for their attendance and closed the meeting.

Summary of New Actions

Action No	Para	Action	Owner
67	5.5	Chair to write to the chair of the English Fire SAB to suggest collaboration on Remedy Engagement and Comms [Complete 14 Jun 2021]	TN