

# NHS Pension Scheme Scotland

## Scheme Advisory Board

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### Minutes

**Date:** 1 September 2021

**Meeting reference:** NHS Pension Scheme Advisory Board

**Location:** Virtual via MS Teams

**Chair:** Willie Duffy (Unison)

**Attendees:** **Members**

Alan Robertson (BMA)  
Andy Carter (NHS Borders)  
Jackie Mitchell (RCM)  
Kay Sandilands (NHS Lanarkshire)  
Lorraine Hunter (NHS Grampian)  
Ros Shaw (RCN)  
Derek Lindsay (NHS Ayrshire & Arran)

### **Scottish Government**

Greg Walker (SPPA)  
Karen Gilchrist (SPPA)  
Iain Coltman (SPPA)  
Alan Wilkinson (SPPA)  
Finn Mackenzie (SPPA)

### **Government Actuary's Department (GAD)**

Anne-Marie Pettie  
George Russell

### **Secretariat**

Carole Bertram (SPPA)

### **Apologies**

Robin McNaught (State Hospital)  
Jane Christie-Flight (Golden Jubilee Hospital)  
Graham Pirie (CoP)  
Daniel MacDonald (SG)  
Phil McEvoy (BDA)

## **1. Welcome and Apologies**

1.1 The Chair welcomed attendees and asked if there were any conflicts of interest.

1.2 No new conflicts of interest were declared.

1.3 Greg Walker explained we would not be discussing Scheme Contributions at this meeting, we would arrange an emergency meeting w/c 20/9/2021 for this topic.

## **2. Minutes of the meeting held on 2 June 2021**

### Paper 2a – Draft SAB minutes of 2 June 2021

2.2 The minutes were approved.

### Paper 2b – Action Log

2.3 Action Point 2021/02 - SPPA requested this action be carried forward to the next meeting.

2.4 Action Point 2021/08 - SPPA have prepared a timeline which will be finalised and published on SPPA website when HM Treasury bill is announced in July 2021.

2.5 Action Point 2021/09 - SPPA circulated draft report on 12 May 2021 requesting SAB comments. SAB agreed content. Action closed.

2.6 Action Point 2021/11 – GAD confirmed these papers could be shared. Action closed.

2.7 Action Point 2021/12 – GAD and SPPA explained the significant work involved in determining a meaningful average salary increase assumption for members not on AfC paybands. It was also highlighted that the more significant area of uncertainty associated with the modeller was likely to be the assumption that the demographic profile of the membership was unchanged since 2016. Agreed no further work required. Action closed.

2.8 Action Point 2021/13 – For discussion at agenda item 3.

2.9 Action Point 2021/14 – Action closed.

2.10 Action point 2021/16 – SPPA advised permission had not yet been granted to share E & W initial advice to DHSC on preferred member contribution structure. Action to remain open.

### Matters Arising

2.12 Alan Robertson also asked if open actions and actions closed within 12 months can be circulated only to SAB members

**Action 2021/? – SPPA to arrange only open actions and closed actions with the last 12 months to be circulated to SAB members.**

### **3 – HMT’s Normal Minimum Pension Age (NMPA) Consultation Process**

3.1 Greg Walker took the lead and highlighted the proposed changes. NMPA will change from age 55 to age 57 as from 6/4/2028. Protection is dependent on what scheme you are in. Some of the schemes the regulations confirm age 55 as NMPA so they would be automatically protected. However, if the regulations state NMPA only there would be no protection.

3.2 Willie Duffy explained this would be difficult to highlight to members. Willie asked why Fire & Police are protected.

3.3 Greg Walker replied uniforms have always been protected historically.

3.4 Alan Robertson asked if it was too late to change the regulations.

3.5 Greg is concerned it is a bit of a lottery and explained Treasury would have to be in agreement.

3.6 Willie Duffy thought there is still further information to come before it can be agreed.

3.7 Lorraine Hunter was concerned that age 55 was no longer protected for the 95 scheme.

3.8 Greg Walker replied in the 1995 scheme Special Class would still be paid at age 55.

3.9 Derek Lindsay commented that in the 95 scheme earliest age was age 50.

3.10 Greg Walker to check who is protected at age 50

3.11 Alan Robertson commented we should keep what we have already protected but was concerned how it would affect added years contracts. He felt it was a bit of a lottery.

**Action 2021/? – SPPA to check who is protected at age 50**

### **4 – Scheme Participation Report 2020-21**

4.1 Greg Walker summarised the report explaining the new data for Quarter 4 of 20/21 and Quarter 1 of 21/22. Greg explained there had been a small decrease, but no great change.

4.2 Alan Robertson commented there was no GP data. Alan was concerned that we had no data which shows members who opted in for a month then out. Alan would like to see this data.

4.3 Greg Walker will contact GP services and will share this with the SAB if it is available.

4.4 Lorraine Hunter confirmed some staff are on fixed term contracts for Covid . This may have caused the slight decrease.

4.5 Willie Duffy thought this was a fair point. It would be helpful to look at trends to show staff increase due to covid.

**Action 2021/? – SPPA to check for GP data and share with SAB**

## **5 – MSG Pensions Paper on McLeod Consultation**

5.1 Derek Lindsay presented this paper and highlighted the reason for this communication to answer the myths circulating about reasons to leave the scheme before April 2022. Derek commented for 2008 Choice Exercise full details were sent to members by letters and roadshows. The pre 2015 detailed communications still applies for April 2022. Could we resurrect what will change from April 2022. Derek is conscience of resources. SAB had a sub group to deal with this. Information on the SPPA website and calculators would be helpful. NHS Grampian has a Communication person who would be willing to help with this. This is time critical due to April 2022 deadline.

5.2 Willie Duffy replied that was a helpful discussion. He has been involved in a Unison roadshow about pensions which has been very busy. 1500 members over 4 weeks. Unison members are in the dark they are listening to rumours ie lump sum being taxed/ jump ship before care comes in. They don't understand that they can have 95 & 2008, only care held until state pension age. Employers or SPPA are not communicating, where can they get there answers. Regardless of the cost a written letter should be sent to all members with Q & A. Time is critical.

5.3 Greg Walker replied inviting Finn Mackenzie from SPPA to give an overview of SPPA's effective strategy over the next 6 months.

5.4 Finn Mackenzie hoped to share a specific plan but due to possible changes this was not possible. Finn discussed in depth the 2015 Remedy Stakeholder Engagement slides. Finn highlighted the importance of :-

Updating our FAQ's

Communications is consistent and timely

Regular updates on the website

Recruit digital & design professional to improve content from SPPA.

Time plan graph - Letters to all protected members by end Sept 2021. Letters to non-protected members to confirm their pension is safe. Finn thought it would be good to work together in tandem with a sub group.

5.5 Willie Duffy asked if life time protection will get a letter?

5.6 Finn Mackenzie replied Life time and Tapered members will get a let by end of September 2021.

5.7 Kay Sandilands commented this is time critical FAQ's should be consistent clarity is important, one for all approach. We must accelerate pace.

5.8 Alan Robertson commented it was a good paper from Derek Lindsay. He was concerned about resources could SAB help? Public Affairs guys could assist. Alan asked when we updated FAQ's can this show a date to highlight the change.

5.9 Lorraine Hunter would be happy to join the sub group as a joined up approach is important. Awareness needs message to share with us all.

5.10 Ros Shaw agreed with everyone, letters are time critical FAQ's vital and joint presentations works well.

5.11 Derek Lindsay commented it was important to keep the SPPA website updated. Derek asked how many of the 150000 members would get letters in September.

5.12 Finn Mackenzie replied only a small portion about 15-17000 members, as mostly in 2015 scheme.

5.13 Lorraine Hunter highlighted the myth about retiring before April 2022 could mean the letters in December would be too late. Lorraine suggested letters to all in September 2021.

5.14 Finn Mackenzie replied in his view we will take on all these points. Policy is still developing by December we will have more answers. Finn will take these suggestions regarding the staggered response to Comms.

5.15 Iain Coltman replied time critical, SPPA have the responsibility to inform members. Huge cost can we do this through employers Aim to have a sub group in operation in 2 weeks.

**Action 2021/? – Working sub group to be arranged. Staffside nominations to email Willie Duffy, employers to email Derek Lindsay**

**Action 2021/ - SPPA to share slides with SAB members**

## **6 – Salary Sacrifice (SS)**

6.1 Greg Walker summarised the paper and explained there is no provision in the regulations. There has been no change since 2005. The child care & cycle to work pension contribution is paid on gross pay. This is different to NHS E &W . Greg checked with Treasury they are happy to have differences between schemes.

6.2 Derek Lindsay commented we are different to E&W but happy to remain the same. New electric cars have been mentioned for SS would they be in the same category as child care and cycles.

6.3 Lorraine Hunter informed us that white goods have been asked to be included for SS with no tax relief. This has to be made crystal clear . SPPA have previously given incorrect advice on SS.

6.4 Alan Robertson replied in 2017 HMRC provided a list on gross and net pay reductions.

6.5 Willie Duffy asked what is our way forward?

6.6 Greg Walker replied we need to discover what schemes are in operation. Limit to 5. How do we treat them?

6.7 Alan Robertson highlighted consistency is important throughout Scotland.

6.8 Lorraine Hunter confirmed if you moved from NHS Grampian to NHS Glasgow SS is not transferrable.

6.9 Willie Duffy asked the SAB to notify Greg what schemes are in operation.

**Action 2021/? SAB to notify Greg what SS schemes are in operation and discuss at next meeting.**

## **AOB**

7.1 No other business except plans for date of emergency meeting w/c 20 September 2021 to discuss the employer contributions which would be sent by Secretariat.

7.2 The Chair thanked everyone for their attendance and closed the meeting.