

Scottish Firefighters' Pension Scheme Advisory Board

MINUTES

Date: 14 June 2022

Location: MS Teams

Chair: Iain Coltman (IC) (SPPA)

Attendees : Mark Rowe (MR) (Fire Brigades Union)
John McKenzie (JMck) (Fire Brigades Union)
Glyn Morgan (GM) (Fire Officers' Association)
George Lindsay (GL) (Scottish Fire and Rescue Service)
*Colin Brown (CB) (Fire Brigades Union) joined the meeting at 14.56

Advisers: Anne-Marie Pettie (AMP) (GAD)

Officials: Finn Mackenzie (FM) (SPPA)
Karen Gilchrist (KG) (SPPA)
Derek Smith (DS) (SG SCD: Fire & Rescue Unit)

Observers: Claire Hey (CH) (Local Government Association), Elena Johnson (EJ) (Local Government Association)

Apologies : Alan Wilkinson (AW) (SPPA), Stuart MacArthur (SPPA), Rachael Henry (RH) (GAD), Lorna Smith (LS) (SG SCD: Fire & Rescue Unit), Nicola Hector (NH) (Scottish Fire and Rescue Service), Brian Baverstock (BB) (Scottish Fire and Rescue Service)

Secretariat : Clare Campbell (SPPA)

1. Welcome and Introductions

1.1 The Chair welcomed everyone to the meeting and thanked John McKenzie (JMck) for joining the board.

1.2 MR informed the group that Colin Brown (CB) would be unable to join the meeting until later in the afternoon.

2. Conflicts of Interest

2.1 No new conflicts of interest declared.

3. Previous Minutes/Actions

3.1 The minutes from the meeting on 3 March 2022 were discussed and GL requested that the wording of a sentence in paragraph 7.3 be altered slightly. *Note: the sentence was updated after the meeting and the minutes will be re-issued

3.2 Aside from paragraph 7.3 the minutes were adopted as accurate.

3.3 Outstanding actions were reviewed and the following noted:

- **Action 72** - SPPA to draft terms of reference for proposed collaborative working group on Remedy engagement and communication – **FM confirmed this would be covered during meeting – Close action**
- **Action 73** - SPPA to monitor participation rates to identify if there is any immediate impact from the scheme changes on 1 April 2022 – **The Chair confirmed SPPA were committed to monitoring this and the action will be carried forward to the next meeting when more data should be available – Remains open**
- **Action 74** - FM to raise possibility of creating a member factsheet with SPPA Communications lead – **FM confirmed that the creation of an employer newsletter was planned – Close action**
- **Action 75** - SAB Members to provide views and feedback on current SAB Chair arrangements to IC or Fire SAB Secretariat mailbox by 31 March 2022 – **responses received and the consensus was the board should continue with the current arrangements for the foreseeable future – Close action**

4. a) Remedy Update

4.1 FM provided a summary of the Remedy Update paper and invited questions.

4.2 CH reiterated her belief that a joint SAB working group would be beneficial for all parties. GM agreed with this and stated it may also prevent a duplication of work for those who sit on multiple scheme advisory boards. GL also voiced his support for the joint proposal.

4.3 MR sought clarification on the illustrative engagement table contained in the paper. He enquired if it links in with the England and Wales joint engagement sessions. FM confirmed that there was already a four nations collaborative working group in place which includes officials covering both Firefighters' and Police schemes and is aimed at developing consistent policy.

4.4 FM confirmed that if the group wished to proceed with a joint working group he would put together a new engagement schedule to reflect this. The Chair also confirmed that he would write to his counterparts in England & Wales to gauge their interest in taking part.

Action: SAB Chair to write to counterparts in England & Wales regarding joining the proposed joint collaborative working group

4.5 MR enquired as to whether the 2015 remedy modeller for the Firefighters' pension scheme could be shared with the FBU SAB representatives for information purposes. GL requested that the employer side also have sight of this if possible. FM agreed to contact the SPPA Project Team to request this. AMP confirmed that GAD would be happy for this to be shared with SAB members and welcomed receiving any feedback they may have.

Action: FM to contact SPPA Project Team to request access to 2015 remedy modeller for SAB members

4. b) Immediate Detriment

4.6 FM provided a summary of the Immediate Detriment paper and invited questions.

4.7 MR welcomed the fact solutions to the issues surrounding immediate detriment were being investigated by SPPA. He confirmed that the FBU would be willing to share advice that they and the LGA have received regarding the matter when this was possible. The Chair thanked MR for this offer and confirmed it would be useful.

4.8 GM stated that he remained disappointed that HMT have not done more to resolve the issues surrounding immediate detriment but welcomes any attempt by SPPA to investigate how we can allow these cases to proceed.

4.9 GL reiterated that SFRS were keen to support any measures which would allow progress on immediate detriment and asked SPPA to contact SFRS if they required additional support. The Chair thanked GL and confirmed there would be further engagement on the issue in the near future.

5. a) Publication of 2016 Cost Cap Valuation Report

5.1 The Chair invited AMP to discuss the recent publication of the 2016 Cost Cap Valuation Report.

5.2 AMP confirmed that the headlines from the report had been briefly discussed at the previous SAB meeting on 3 March 2022. The full report has now been published and the SAB were issued with a link to it via email on 17 May 2022.

5.3 AMP noted that a judicial review had been raised regarding HMT's decision to include remedy as a member cost for the 2016 Cost Cap Valuation but timelines remain unclear.

5. b) Update on the 2020 Valuation

5.4 AMP provided a brief update on the 2020 Valuation to the Board.

5.5 AMP confirmed that GAD are aiming to bring the 2020 assumptions advice to the SAB during quarter one of 2023. Due to this it was confirmed that the valuations training planned for board members would take place close to this advice being shared in order to maximise its effectiveness.

5.6 The Chair proposed that valuations training be included as an agenda item at the SAB meeting scheduled for 14 December 2022, and the Secretariat can confirm nearer the time.

Action: Valuations training proposed for 14 December 2022 - SAB Secretariat to ensure this is scheduled appropriately

6. Participation Rates Paper

6.1 KG presented the latest Participation Rates paper which contained the figures for all Quarters during 2020/2021 and 2021/2022.

6.2 KG confirmed that participation remains high but there is an expectation that scheme changes in place from 1 April 2022 may impact on future trends and retirement patterns.

6.3 KG confirmed that she is working with contacts at SFRS in the hope of adding more detailed information to the participation rates papers going forward.

6.4 GL raised concerns regarding the number of unexpected retirements SFRS have noted recently, confirming that a significant number of members have retired before reaching 30 years' service. This is causing the Service substantial challenges and great concern so SFRS will be continuing to monitor the situation.

6.5 CH asked GL if SFRS know what is driving these unexpected retirements. GL responded that the closure of the 1992 scheme, as well as changes to commutation both appear to be factors.

6.6 JMCK noted that the increase in retirements may continue for some time yet as workforce awareness of the scheme changes may not yet be fully realised.

7. Retained Firefighters and Whole-Time Allowance

7.1 KG provided a brief update to the board on the issues regarding Retained Firefighters and Whole-Time Allowance.

7.2 KG confirmed that SPPA have been working with GL and DS on this and have a further meeting scheduled for 28 June 2022. A project team to implement this work may be required but discussions are still at an early stage. Further information on this will be provided to the SAB at the earliest possible opportunity.

Action: SPPA to circulate brief note updating SAB members after Retained Firefighters and Whole-Time Allowance meeting is held on 28 June 2022

* Colin Brown joined the meeting at 14.56

8. Matthews Second Options Exercise

8.1 KG provided a brief update on the Matthews Second Options Exercise but it was agreed that a paper would be provided for the board at the next SAB meeting in September when further information should be available.

Action: SPPA to prepare paper on Matthews Second Options Exercise for SAB meeting on 14 September 2022

9. AOB

9.1 The Chair welcomed Colin Brown (CB) to his first SAB meeting and thanked him for joining the board.

9.2 The Chair invited opinions on the structure of SAB meetings moving forward. The board were asked if they would prefer to start holding these meetings in person, via a hybrid format or to continue the meetings virtually.

9.3 MR stated that in his opinion the key point to consider was whether holding the meetings virtually was affecting the quality of the meeting and the business discussed. If the meetings are continuing to function well virtually then he does not believe there is necessarily a need to meet in person.

9.4 The Chair acknowledged the point and said further discussion could take place on the matter. If the meeting did move to a hybrid format then locations in Edinburgh would be investigated initially.

10. Dates of Future Meetings

10.1 The Chair confirmed that the remaining meetings in 2022 had been organised for 15 September 2022 and 14 December 2022. Calendar invites have been issued to board members.

Summary of New Actions

Action No	Para No	Action	Owner
76	4.4	SAB Chair to write to counterparts in England & Wales regarding joining the proposed joint collaborative working group	IC
77	4.5	FM to contact SPPA Project Team to request access to 2015 remedy modeller for SAB members	FM
78	5.6	Valuations training proposed for 14 December 2022 - SAB Secretariat to ensure this is scheduled appropriately	SPPA
79	7.2	SPPA to circulate brief note updating SAB members after Retained Firefighters and Whole-Time Allowance meeting is held on 28 June 2022	KG
80	8.1	SPPA to prepare paper on Matthews Second Options Exercise for SAB meeting on 14 September 2022	KG