

Scottish Police Pension Scheme Advisory Board

MINUTES

Date: 29 June 2022

Location: MS Teams

Chair: Iain Coltman (IC) (SPPA)

Attendees : Calum Steele (CSt) (Scottish Police Federation)
Craig Suttie (CS) (Association Scottish Police Superintendents)
Alasdair Corfield (AC) (Police Scotland)

Advisers: Anne-Marie Pettie (AMP) (GAD)
Rachael Henry (RH) (GAD)

Officials: Alan Wilkinson (AW) (SPPA)
Finn Mackenzie (FM) (SPPA)
Mhairi Kinnaird (MK) (SPPA)
Marie Swinney (MS) (Police Division)

Observers: Clair Alcock (CA) (NPCC), Sharon Dalli (SD) (Police Scotland)

Apologies : John MacLean (JMc) (Scottish Police Authority), Stuart MacArthur (SPPA),
Angel Shek (AS) (Police Division)

Secretariat : Karen Gilchrist (SPPA)

1. Welcome

1.1 The Chair welcomed everyone to the meeting.

2. Conflicts of Interest

2.1 No new conflicts of interest declared.

3. Previous Minutes/Actions

3.1 The minutes from the meeting of 10 March 2022 were discussed, suggested amendments from AMP were accepted and the minutes updated and will be re-issued.

3.2 Outstanding actions were reviewed and the following noted:

- **Action 77** - SPPA to review Participation Rates paper, add further narrative where required and re-issue to board – **Remains open (Paper - Scheme Participation Rates to Q3 2021/22)**
- **Action 78** - SPPA to monitor opt out data 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 79** - SAB Members to provide views and feedback on current SAB Chair arrangements to IC or SAB Secretariat mailbox by 31 March 2022 – **Responses had been received from employer representatives recommending a preference for an independent chair. SAB Secretariat to draft letter for Ministers to be circulated to the board - Remains open**

4. Remedy Update

4.1 General consensus between SAB members that a joint UK working group would be beneficial for all parties to prevent duplication of work. However, it was noted it would be helpful if a Scottish sub group could be arranged with meetings as required. It was also noted that SG Police Division is not routinely involved in cross-UK pensions matters so officials should be kept informed separately.

4.2 FM provided a summary of the Remedy Update paper on Deferred Choice Underpin and Immediate Choice. SD asked various questions regarding the timescales involved, which FM answered.

4.3 AW introduced the Immediate Detriment paper. The SAB were asked to keep the content of the paper and subsequent discussion on close hold until this matter had been investigated further.

5. a) Publication of 2016 Cost Cap Valuation Report

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

5.2 RH confirmed that the headlines from the report had been briefly discussed at the previous SAB meeting. 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 RH noted that a judicial review had been raised regarding HMT's decision to include McCloud remedy as a member cost for the 2016 Cost Cap Valuation but timelines remain unclear.

5.4 RH confirmed that we still await direction from HMT on how these McCloud remedy costs waived as part of the 2016 valuation would be factored into the 2020 valuation.

5. b) Update on the 2020 Valuation

5.5 RH provided a brief update of the 2020 Valuation to the board. She confirmed that the data phase for the valuation was nearing completion. The next step would be to analyse the member movements between 2016 and 2020, as this would inform the scheme specific assumptions

5.6 RH 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.

5.7 The Chair proposed that valuations training be included as an agenda item at the SAB meeting scheduled for 6 December 2022, and the Secretariat can confirm nearer the time.

Action: Valuations training proposed for 6 December 2022 - SAB Secretariat to ensure this is scheduled appropriately

6. Participation Rates

6.1 MK introduced the paper on participation rates which contained the figures for all Quarters during 2020/2021 and 2021/2022. AW had requested further data to be supplied by Police Scotland which included gender split. There had been a legacy issue where discrepancies were noted when reconciling data. SD confirmed this issue was on SPPA's Performance Improvement Plan set up under the Service Level Agreement and on agenda for 31 August 2022 .

6.2 AW confirmed that participation remains steady at 91% but there is an expectation that scheme changes in place from 1 April 2022 may impact on future trends and retirement patterns.

6.3 CSt raised concerns that due to cost of living there may be an increase in opt outs particularly in younger members and female officers.

Action: SPPA committed to monitoring participation and will provide feedback going forward as more detailed participation and opt out rates are received from Police Scotland.

7. Compulsory Retirement Age

7.1 AW discussed the draft circular setting out that due to the closure of the legacy pension schemes, the provisions for compulsory retirement age were no longer applicable, and asked the SAB for comments.

7.2 SD welcomed the circular and its content and detail.

8. AOB

8.1 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.

8.2 CSt noted a preference for meetings to take place in person.

8.3 The Chair acknowledged the point and proposed meeting should move to a hybrid format using offices in Edinburgh or Glasgow.

9. Dates of Future Meetings

9.1 The Chair confirmed that the remaining meetings in 2022 had been organised for 5 October 2022 and 6 December 2022.

Action: SD noted it would be useful to have holding dates in the calendar for future SAB meetings.

Summary of New Actions

Action No	Para No	Action	Owner
80	5.6	Valuations training proposed for 6 December 2022 - SAB Secretariat to ensure this is scheduled appropriately	SPPA
81	6.3	SPPA committed to monitoring participation and will provide feedback going forward as more detailed participation and opt out rates are received from Police Scotland.	SPPA
82	9.1	Holding dates in the calendar for future SAB meetings.	SPPA