

Scottish Firefighters' Pension Scheme Advisory Board

MINUTES

Date: 30 March 2023

Location: MS Teams

Chair: Iain Coltman (IC) (SPPA)

Attendees : John McKenzie (JMCK) (Fire Brigades Union)
Ade Robinson (AR) (Fire Officers' Association)
George Lindsay (GL) (Scottish Fire and Rescue Service)
Alan Duncan (AD) (Scottish Fire and Rescue Service)
Mark Rowe (MR) (Fire Brigades Union)

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

Officials: Brenda Callow (BC) (SPPA)
Alan Wilkinson (AW) (SPPA)
Karen Gilchrist (KG) (SPPA)
Lorna Smith (LS) (SG SCD: Fire & Rescue Unit)

Observers: Elena Johnson (EJ) (Local Government Association)

Apologies : Glyn Morgan (GM) (Fire Officers' Association), Claire Hey (CH) (Local Government Association), Brian Baverstock (BB) (Scottish Fire and Rescue Service), Colin Brown (CB) (Fire Brigades Union), Derek Smith (DS) (SG SCD: Fire & Rescue Unit)

Secretariat : Clare Campbell (SPPA)

1. Welcome and Introductions

1.1 The Chair opened the meeting, noted apologies and welcomed Alan Duncan as a new member of the board.

2. Conflicts of Interest

2.1 No new conflicts of interest declared.

3. Previous Minutes/Actions

3.1 The minutes from the meeting on 28 October 2022 were reviewed and adopted as accurate.

3.2. Outstanding actions were reviewed and the following noted:

- **Action 81** - SPPA to investigate if it is possible to review the immediate detriment cases in order of severity of ill-health. **To be covered under agenda item 4 – Close Action**
- **Action 82** - SPPA to reschedule Valuations Training for board members to early 2023. **Valuation Training forms part of the agenda today and further consideration will be given as to whether scheduled valuation training session on 3 May is then still**

required. Calendar invitations were issued to board members on 20 February 2023 – Close Action

- **Action 83** - SPPA and SFRS to establish joint working group on Matthews Second Choice Options Exercise. **To be covered under agenda item 5 – Close Action**
- **Action 84** - SPPA to contact board members to arrange dates for 2023 SAB meetings. **The 2023 meetings dates have been confirmed and calendar invitations were issued to board members on 20 February 2023 – Close Action**

4. Remedy Update

4.1 BC provided the board with a short update on the remedy regulatory timeline, confirming that the draft regulations consultation is due to be launched in April 2023 subject to HM Treasury clearance. The consultation will run for a period of 12 weeks with the responses then analysed.

4.2 BC discussed the creation of the immediate choice prioritisation process, highlighting the priority groups involved and the proposed timetable for the provision of remediable service statements.

4.3 JMCK welcomed the creation of the priority system and asked if SPPA had details of the number of people included in priority group one. BC confirmed SPPA could obtain this information for the board.

Action: SPPA to provide details of the number of members in priority group one of the immediate choice prioritisation process

4.4 BC updated the board on immediate detriment and the payment of interim payments, confirming that SPPA are still awaiting advice from HMRC on this matter. Due to the timescales involved, updated legal advice and options have been submitted to the Minister for Public Finance, Planning and Community Wealth in an attempt to progress this further.

4.5 JMCK thanked BC for the update provided and asked if the slides could be shared with the board after the meeting.

Action: SPPA to distribute remedy update slides to board members

5. Matthews Second Options Exercise for Retained Firefighters (The 2023 Options Exercise)

5.1 KG provided a brief update on the Matthews Second Options Exercise, confirming that discussions have been held with SFRS regarding historic data issues. KG also informed the board that the consultation is expected to be launched towards the end of Spring 2023 and once this is live further discussions can be held with the board on the matter.

5.2 MR confirmed that colleagues in England are following a similar process and he would be willing to share any relevant information with SPPA as and when this becomes available. The Chair thanked MR for this offer.

6. Firefighters Pensionable Allowances Exercise – Update

6.1 KG confirmed that work continues on this project and the SPPA administration team have looked at test cases using the data shared between SPPA and SFRS. A meeting between SPPA and SFRS colleagues is scheduled for 31 March 2023 to further discuss the project.

6.2 JMcK enquired as to whether there was any update on the timescales involved in the project. The Chair noted that more may be known after the meeting on 31 March 2023 so confirmed SPPA would circulate an update to the board after this has been held.

Action: SPPA to circulate update to board after Retrospective Pensionable Allowances meeting on 31 March 2023

7. Spring Budget 2023 – Annual Allowance and Lifetime Allowance Changes

7.1 AW referenced the email issued to board members on 16 March 2023 which contained an update on the pensions taxation changes announced in the UKG Spring Budget. No questions were received.

8. 2020 Scheme Valuation Process and Board Role in Setting Assumptions - Training

8.1 The Chair invited AMP and RH from GAD to begin their training presentation on the Scheme Valuation process.

8.2 AMP and RH provided the Board with training on the background to actuarial valuations of public service pension schemes, parties involved with actuarial valuations and their roles, and the 2020 valuation process. The assumptions that were set by HM Treasury for all of the main public service pension scheme were highlighted, as were the scheme-specific assumptions that were the responsibility of Scottish Ministers. GAD highlighted that, as part of Scottish Ministers consultation with the SAB on the scheme-specific assumptions for the valuation, a further session would be held in the coming months where GAD would present their initial recommendations on the scheme-specific assumptions and seek SAB's views on these recommendations. Initial considerations around the age retirement and withdrawals assumptions for the 2020 valuation were discussed.

Action: SPPA/GAD to distribute Valuations Training presentation slides to board members

8.3 At the conclusion of the presentation, the Chair thanked AMP and RH on behalf of the board.

9. AOB

9.1 The Chair confirmed that a note would shortly be circulated to the board in relation to HMT publishing its response to the consultation on the SCAPE discount rate methodology.

10. Dates of Future Meetings

10.1 The Chair confirmed that dates for the 2023 SAB meetings had been organised and invitations were issued to board members on 20 February 2023.

10.2 The Assumptions Training session is provisionally scheduled for 3 May 2023 and the next SAB meeting is scheduled for 13 June 2023.

Summary of New Actions

Action No	Para No	Action	Owner
85	4.3	SPPA to provide details of the number of members in priority group one of the immediate choice prioritisation process	SPPA
86	4.5	SPPA to distribute remedy update slides to board members	SPPA
87	6.2	SPPA to circulate update to board after Retrospective Pensionable Allowances meeting on 31 March 2023	SPPA
88	8.2	SPPA/GAD to distribute Valuations Training presentation slides to board members	SPPA/GAD