

STPS Scheme Advisory Board

Date	6 June 2023
Location	Virtual meeting via Microsoft Teams
Chair	Des Morris (EIS)
Members	Councillor Alastair Forsyth (COSLA) Councillor David Richardson Councillor Frances Murray Dave Wilkinson (NASUWT) Euan Duncan (SSTA) Fiona Dalziel (SSTA) Greg Dempster (AHDS) John Edward (SCIS) Louise Wilson (EIS) Mark Cook – Pension Board Chair (Observer) Mary Senior (UCU) Mike Dolan (EIS) Simon Cameron (COSLA) Stephanie Walsh (SG) Stephen Stewart (EIS)
SPPA / SG	Brenda Callow (SPPA) Clare Moffat (SPPA) Finn MacKenzie (SPPA) Greg Walker (SPPA) Iain Coltman (SPPA)
GAD	Anne-Marie Pettie (GAD) Greg Donaldson (GAD)
Secretariat	Joanne Dawson (SPPA)
Apologies	Andy Witty (Colleges Scotland) Archie MacIver (UWS) Councillor David Parker (COSLA) Neil Shaw (SLS) Paul Gibson (SPPA) Phil Daggart (COSLA) Stuart Robb (SG)

1. Welcome and Apologies

1.1. The Chair welcomed attendees to the meeting.

2. Conflicts of Interest

2.1. No conflicts of interest were declared.

3. Minutes of previous meeting, action points and matters arising

3.1. The minutes of the meeting held 22 February 2023 were discussed. No accuracy issues were raised.

3.2. The following updates were provided on outstanding actions points:

- **Action Point 112:** Reduction in pension entitlement period linked to projections of life expectancy. An update from GAD will be provided in paper 3b of the agenda.
- **Action Point 120:** Long Covid ill health retirals – SPPA provided data of cases where long covid has been cited as a symptom on ill health retirals. Figures will be provided in first meeting of 2024.
- **Action Point 121:** Q2 2022/23 and Q3 2022/2023 shared in paper 4.
- **Action Point 128:** Consultation on scheme eligibility has been delayed due to demands on legal team. SPPA will update SAB in advance of consultation being published.
- **Action Point 129:** Copies of the final PDD's have been shared with SAB. **Closed**
- **Action Point 131:** COSLA provided update on SNCT pay and leave specification. Pay and Leave Specifications Technical Working Group meeting is scheduled for 19 June and further updates will be provided to SAB following that meeting. Representatives from SPPA Policy and Customer Services will attend meeting.
- **Action Point 132:** SPPA confirmed that the SNCT pay and leave specification mitigation options were shared with TWG on 2 March. Limited feedback was received, however, option 1 was noted as the preferred option. Concerns were raised over the projection of pay. This will be taken forward as part of review group and merge with the previous action point. **Closed**

- **Action Point 133:** SPPA will liaise directly with EIS to provide point of contact in Teachers Award Customer Service Team. Point of contact provided. **Closed**
- **Action Point 134:** SPPA to consider documenting guidelines and expectations on the role of the STPS SAB chair. Agreed to carry forward.
- **Action Point 135:** SPPA will discuss and consider further re-introduction of tripartite chair arrangements. This meeting ends the member side rotation as two years have passed. Discussions are ongoing. SPPA will share update on chair arrangements in advance of next meeting in August. Member side expressed their desire to return to tripartite arrangements.
- **Action Point 136:** SPPA to provide paper looking at membership and vacancies on SAB. Re-organisation is taking place in SPPA Governance Team. Further update will be provided at next meeting.
- **Action Point 137:** Amendment to 4.4 on previous minutes made. Minutes available on SPPA website. **Closed**
- **Action Point 138:** Employee side sent letter to Ministers regarding phased withdrawal of independent schools. EIS confirmed a holding response has been received but have not received a full response as yet. **Closed**
- **Action Point 139:** GAD valuations training session was held on 16 May. **Closed**
- **Action Point 140:** Copies of GAD Valuation Update from previous SAB meeting were issued to SAB members. **Closed**

3.3 Matters **Arising:** NASUWT gave thanks for GAD Valuation Training and for providing copies of slides. It was noted that slides were not for public domain and asked if possible, to provide further copy of slides with sensitive data removed to be shared more widely.

Action Point 141: GAD/SPPA to review and issue redacted slides.

3.6. EIS raised the question of what do SPPA do when they hear an employer is looking to withdraw from the scheme? SPPA confirmed that when schools opt to leave on a permanent basis there is very little SPPA can do once the decision has been made by the school.

4. STPS 2020 Valuation Assumptions – Papers 3a and 3b

4.1. SPPA provided an update on Paper 3a giving details of the data issues encountered as part of the 2020 valuation process and to provide details of SPPA's data improvement plans.

4.2. SPPA noted that the data issues relate to the extraction of data and reporting of data and provided re-assurance that the issue does not relate to any inaccuracies in the pensions paid to members.

4.3. UCU asked how the differences between mortality rates in England and Wales compared to Scotland would impact on the results. GAD confirmed that the differences are taken into account and further details will be provided when talking through paper 3b.

4.4. EIS asked if there would be direct comparisons between previous data used and current data used so that movements can be identified and how the movements impact on the valuations. GAD confirmed that the impact would be noted in paper 3b.

4.5. GAD provided an update on paper 3b and gave a reminder of how the valuation process works.

4.6. GAD noted that the highlights report was issued before today's meeting. The full 85-page assumptions report will be issued after the meeting.

Action Point 142: GAD/SPPA to issue full Valuation Assumptions Report.

4.7. GAD discussed the difference between scheme specific assumptions set by Scottish Ministers and the central assumptions set by HMT. The purpose of this session is to focus on the scheme specific assumptions.

4.8. Scottish Ministers are seeking SAB's views and feedback on the scheme specific assumptions.

4.9. GAD discussed each assumption and advised of recommendation for changes to mortality after retirement assumption, proportion of pension commuted assumption, and rates of leaving service assumption.

4.10. NASUWT and EIS expressed concerns over projected mortality and life expectancy improvements forecast and resulting increased costs on pension schemes. GAD advised these assumptions are not scheme specific.

4.11. EIS referred back to Hutton Report and asked if there is a commitment to review the link to state pension age given changes in life expectancy. SPPA advised that they are not aware of the commitment for this to be reviewed.

Action Point 143: SAB to write to Scottish Ministers about a review of the link between normal pension age and state pension age in the 2015 scheme.

4.12 AHDS noted that the Teach First Scheme in England does not apply in Scotland and accounts for high withdrawal rates in England. It was asked if this factor was taken into account in the assumptions relating to rates of leaving service/withdrawal assumption.

Action Point 144: GAD to clarify if this factor was taken into account.

4.13 NASUWT noted the behaviour of the independent schools sector relating to large withdrawal rates in England and this information is not yet known in Scotland. GAD advised that this information is speculative so cannot be taken into account but would be reviewed in future years.

4.14 AHDS noted that the differing contribution rates in the Care scheme seem less appropriate and asked if there would be any consideration of moving from a tiered contribution rate to a flat rate.

4.15 SPPA advised that the contribution rates will be subject to review in the near future – towards the end of this year. It is likely that the tiered contribution structure would be retained. E&W are also reviewing contribution rates this year.

4.16 The Chair thanked GAD for the detailed presentation.

4.17 Initial views are invited from SAB members before final recommendations are made to Scottish Ministers. Views are to be submitted to SPPA and these will be collated and forwarded to GAD. E-mail address to be confirmed when sending the full report.

Action Point 145: SAB members to provide initial comments on the appropriateness of recommended assumptions or highlight any relevant additional information which could impact on recommendations.

Action Point 146: SPPA to confirm e-mail address to send initial views on valuation assumptions.

5. Participation Opt Out Reports – Paper 4

5.1. SPPA referred to paper 4

5.2. SPPA noted that it was previously agreed to provide members with a free format box to provide the opt out reason. This is causing issues within SPPA in extracting the reason as it is a manual process.

5.3. SPPA are proposing amending the form to a tick box option to allow more automation when gathering statistics on reasons for leaving.

5.4. NASUWT agreed with proposal but noted the importance of the opt out reason being collected, particularly during the cost of living crisis and for feeding this information back to Scottish Ministers.

5.5. AHDS agreed also and suggested there is an 'other' box to identify any new themes which may arise.

6. McCloud (2015) Remedy Update

6.1. SPPA gave a verbal update on the McCloud Remedy Project.

6.2. SPPA advised that the notes from the latest McCloud Remedy sub group meeting would be shared with SAB members.

Action Point 147: Notes of McCloud Remedy subgroup meeting to be circulated.

6.3 SPPA confirmed that the STPS Consultation on the implementation of the 2015 remedy was launched on 23 May and runs until 23 July. The consultation focuses on retrospective regulations. Feedback is invited from interested parties.

6.4 A discussion took place on whether a collective response should be submitted from SAB, however, agreement was reached that each constituent union on member side would submit their own response.

7. Date of next meeting – The next SAB meeting is scheduled for 23 August 2023.

8. AOB

8.1. No items raised under AOB

8.2 The Chair thanked everyone for attending and closed the meeting.

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Action Ref.	Action	Action Owner	Latest position	Action status
147	SPPA to circulate notes from latest McCloud Remedy sub group meeting	SPPA	Notes issued to SAB 27/06/23	New Action
146	SPPA to confirm e-mail address to submit initial views on valuation assumptions	SPPA	Confirmed to send feedback to sppastpssab@gov.uk on 15/06/23	New Action
145	SAB members to provide initial comments on the appropriateness of recommended assumptions or highlight any relevant additional information which could impact on recommendations.	SPPA		New Action
144	GAD to comment on impact of Teach First on rates of leaving service assumption	GAD	GAD response issued to SAB 28/06/23	New Action

143	SAB to write to HMT copying in Scottish Ministers about a review of the link between normal pension age and state pension age in the 2015 scheme	SAB		New Action
142	2020 Assumptions report to be issued to SAB	GAD	Update – full report issued to SAB 15/06/2023	New Action
141	2020 Valuation Training Slides to be re- issued to SAB with sensitive data removed	GAD/SPPA	Update – amended slides issued to SAB 07/06/2023	New Action
140	Copy of slides from 2020 Valuation Update to be issued to SAB	GAD	Update – slides issued to SAB members 23/03/2023	Closed
139	Training session to be arranged to provide detailed overview of valuation process	SPPA/GAD	Update – training session held 16/05/2023	Closed
138	Employee side to draft letter to seek re-assurance that the changes re phased withdrawal will not be extended to any state funded school	Employee side	Letter sent to Ministers.	Closed

137	SPPA to amend minutes of previous meeting to remove “other” and “not” from 4.4	SPPA	Minutes have been updated	Closed
136	SPPA to produce a paper on ‘SAB membership and vacancies’ to be considered at a future SAB meeting	SPPA	Carried forward 06/06/2023	Open
135	SPPA will discuss and consider further the re-introduction of tripartite chair arrangements	SPPA	SPPA to give update on chair arrangements in advance of next meeting.	Open
134	SPPA to consider documenting guidelines and expectations on the role of the STPS SAB Chair	SPPA	C/F 06/06/2023	Open
133	SPPA to provide the EIS with a contact in the Teacher’s Awards Customer Service Team in order to take forward queries about the impact of SNCT on individual pension calculations	SPPA	Point of contact share with EIS.	Closed

132	SPPA to share SNCT pay & leave specification mitigation options with TWG and seek feedback on the practicality of their application	SPPA	Pay and leave specification mitigation options were shared with TWG. Feedback was sought and option 1 was the preferable option.	Closed
131	COSLA to provide an update on the work of the SNCT Pay and Leave Specification Review Group, including the purpose and scope of the review	COSLA	Pay and Leave Specifications TWG meeting to be held 19 June. Further updates to follow.	Open
129	SPPA to share copies of final PDDs with the SAB.	SPPA	Carried forward 27/9/2022 – awaiting final Tax PDD. Update PDDs shared with SAB 23/05/2023	Closed

128	SPPA to consult with Colleges Scotland about making a case to HMT around extending scheme eligibility criteria to cover senior managers in further education colleges and to check with HMT that the definitions relating to eligibility in post-1992 institutions were part of eligibility criteria agreed by HMT	SPPA	SPPA to notify SAB in advance of consultation on scheme eligibility being published.	Open
121	Participation Rates: SPPA to provide Q4 2021/22 and Q1 2022/23 data to the Board when available.	SPPA	Q1 2022/23 and Q2 2022/23 provided in paper 4.	Open
120	SPPA to provide the SAB with an annual review of ill health retirement / long covid data. To be provided at the first SAB meeting of the year	SPPA	Updated figures to provided at first meeting of 2024.	Open

112	Reduction in pension entitlement period: GAD to liaise with SPPA to provide summary report of current life expectancy data, including teacher-specific life expectancy data, late 2022.	GAD	Discussed as part of GAD paper 3b.	Closed
8	Secretariat to ensure approved agendas, minutes, and work plan are shared with the Pension Board and published on the SPPA website as appropriate	SPPA 18/06/2015 Secretariat	C/F to action when minutes approved	Remains open, no action necessary