

# STPS Scheme Advisory Board

<b>Date</b>	6 December 2023
<b>Location</b>	Virtual via Teams
<b>Chair</b>	Councillor David Parker (COSLA)
<b>Members</b>	<p>Andy Witty (Colleges Scotland)          Archie MacIver (UWS)          Councillor David Richardson          David Barnett (SLS)          Dave Wilkinson (NASUWT)          Dooley Harte (UCU)          Fiona Dalziel (SSTA)          Greg Dempster (AHDS)          Iain Glennie (SSTA)          Lorraine Davidson (SCIS)          Michael Dolan (EIS)          Phil Doggart (COSLA)          Simon Cameron (COSLA)          Stephen Stewart (EIS)          Stuart Brown (EIS)</p>
<b>SPPA / SG</b>	<p>Greg Walker (SPPA)          Joanne Dawson (SPPA)          Iain Coltman (SPPA)          Stuart Robb (SG)          Finn Mackenzie (SPPA)</p>
<b>GAD</b>	<p>Greg Donaldson          Tim Weir</p>
<b>Secretariat</b>	Paul Gibson (SPPA)
<b>Apologies</b>	<p>Anne-Marie Pettie (GAD)          Councillor Alastair Forsyth          Councillor Frances Murray          Des Morris (EIS)          Louise Wilson (EIS)          Mark Cook (Pension Board – Observer)          Mary Senior (UCU)</p>

## 1. Welcome and Apologies

- 1.1. The Chair welcomed attendees to the meeting.
- 1.2. The Chair noted that Papers 1 – 4, 6 and 7 had been issued on 30 November 2023 with Paper 5 issued on 5 December 2023.
- 1.3. The Chair noted apologies and recognised that Dooley Harte was substituting for Mary Senior (UCU) with Stuart Brown substituting for Louise Wilson (EIS)
- 1.4. The Chair noted that Louise Wilson of EIS would be stepping down from the SAB on 21 December 2023 and said that a letter of thanks would be issued on behalf of the SAB in thanks for her service. **Action Point 151**

## 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 23 August 2023 were discussed and accepted as accurate.
- 3.2. The following updates were provided on outstanding actions points:
  - **Action Point 8:** Recurring action and **remains open.**
  - **Action Point 120:** Long Covid ill health retirals – SPPA committed to provide 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. **Remains open.**
  - **Action Point 121:** Participation report included on agenda as Paper 6. **Action Point closed.**
  - **Action Point 128:** Paper included on Agenda for discussion. **Action Point closed**
  - **Action Point 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.
  - The member side will draft a letter to HMT copying to the Scottish Ministers as a means of eliciting the Ministers' views on the matter. This was agreed by the Board.

- SPPA noted that nothing had yet been provided by member side and would wait for feedback from member side before proceeding.

#### **Remains open**

- **Action Point 148:** SPPA noted a commitment from the employer side to recruit new board members. The Chair confirmed that the matter would be discussed at an upcoming employer-side meeting and aimed to provide an update to the Board at the next SAB meeting. **Remains open**
- **Action Point 149:** A letter was provided by the employer side for discussion as Paper 4. **Action point closed.**
- **Action Point 150:** It was noted that members had been polled for availability. **Action point closed.**

3.3. The minutes of the previous meeting were approved

#### **4. Review of Member Contributions**

4.1. SPPA introduced Paper 3 containing advice on member contributions and sought the views of the group on formalising the paper to provide to the Ministers.

4.2. SPPA asked if the SAB wished to provide a cover letter to accompany the paper or if the group were content for SPPA to forward to the Ministers.

4.3. NASUWT felt that it was in the remit of the board to provide statutory advice it would be the responsibility of the Chair to provide a covering letter.

4.4. EIS echoed this point and felt that although the paper was clear, a cover letter from the Chair would help to provide additional context.

4.5. The Chair acknowledged the group's preference to include a cover letter and confirmed that they would provide a draft within seven days of the SAB meeting. **Action Point 152**

#### **5. Employer Contribution Increase – Funding for Post 1992 Institutions**

5.1. SPPA presented Paper 4 on employer contribution increases and sought sign-off from the group to submit to the Ministers.

5.2. UWS commented on behalf of Post 1992 institutions that they were supportive of the request.

5.3. The Chair approved the letter for submission to Ministers. Letter to be forwarded to Ministers. **Action Point 153**

## **6. Scheme eligibility update**

6.1. SPPA introduced Paper 5 on Changes to Scheme Eligibility and draft amending regulations. SPPA apologised for the late distribution of the paper and confirmed that they were happy to receive comments and feedback following the meeting.

6.2. The representative from UCU noted that discussions within UCU regarding the paper had not taken place and asked what timeframe was in place for comments to be provided. SPPA noted the desire to proceed to Consultation and suggested that comments be provided within two weeks of the SAB meeting.

6.3. SPPA provided an overview of changes within the paper and asked for feedback from the group.

6.4. During the discussion, a representative from EIS commented that using the term 'lecturer' instead of 'teacher' would be preferable in relation to further education as staff are lecturers as defined in their terms and conditions of employment. It was highlighted that some support staff have an element of teaching within their job evaluation so it may not provide the intended clarity if the word 'teacher' is used.

6.5. Colleges Scotland questioned whether the major legislation changes in 2013 relating to colleges had been considered as the regulations refer back to the Further and Higher Education (Scotland) Act 1992.

6.6. NASUWT commented in relation to 15E and raised the question regarding what would happen if someone has had a break in employment and were not in employment 'immediately' before commencing that employment. It was suggested 'prior to' rather than 'immediately' may be more appropriate. Note this could also apply to 15B, 15C and 15D.

6.7. SPPA confirmed it would consider feedback from the meeting and any further written feedback from SAB members after the meeting. SPPA will consider what further changes are needed to the draft legislation in light of SAB feedback and will update SAB. **Action Point 154**

## **7. Scheme Participation Rates**

7.1. SPPA presented Paper 6 on Participation Rates and highlighted key data, including a comparison to earlier data within the paper before opening to the group for discussion.

7.2. AHDS thanked SPPA for the information and asked if it was possible for historic data to be included in future to help consider changes across multiple periods. AHDS also made a general point that almost 30% of teachers were in the lowest salary point yet no opt outs for this cohort were recorded.

7.3. SPPA noted that historic information could be included in future papers.

7.4. UCU echoed the point regarding historic information and suggested that a graph to depict this would be sufficient. UCU felt that information relating to opt outs from Post 1992 institutions appeared disproportionately high compared to other institutions.

7.5. During the discussions a question was raised as to why so many opt outs did not have reasons given. SPPA commented that the reason was due to members leaving this section blank when completing the form.

7.6. EIS raised the subject of auto-enrolment and commented that it would be helpful if data was provided to show if members continued to opt out beyond the three year period for auto-enrolment.

7.7. NASUWT suggested that it would be useful if the opt out form sought confirmation of whether an employee had be recommended or otherwise incentivised to opt out of the scheme, although this was more common in England and Wales than in Scotland.

7.8. SPPA noted the points raised and confirmed on the point surrounding auto-enrolment, that this was an employer duty therefore SPPA would be unaware if a member was in employment during that period.

7.9. SPPA noted that consideration would be given to amending the opt out forms to aid clarity over opt out reasons, and information available on the Agency website to ensure phased withdrawal information is clear regarding opting out. **Action Point 155**

7.10. SPPA highlighted that auto-enrolment is an employer duty and SPPA do not have data on those employees who are not members of the pension scheme.

7.11. SPPA confirmed in response to a further question that if a member moved to a state school from a private school who offered alternative pension arrangement, that person would be entitled to join the STPS.

## **8. McCloud (2015) Remedy Update**

8.1. SPPA presented Paper 7 providing an update on the distribution of remediable service statements before opening to the group for discussion.

8.2. EIS voiced disappointment for members awaiting reappraisal of benefits and noted that the SNCT Pay and Leave Specification had been a problem. EIS asked if work would be done to alleviate this problem.

8.3. SPPA commented that data for members who were retired or retiring had already been submitted by employers under the existing pay and leave specification, although work was underway to resolve this. SPPA suggested that an update may be provided at the next SAB meeting.

8.4. NASUWT approved of SPPA's comments that RSS for ill health and death related cases would be processed first and noted issues other schemes had with providing RSS where CETV was involved. NASUWT asked if SPPA would be able to provide these as normal and if members who were rolled back into legacy scheme from 1 October 2023 had been written to. Also can the information be made clear on the website regarding timescales for transfers.

8.5. NASUWT noted that the DfE had capped compensation for members seeking financial advice related to Remedy at £500 although no refund would be paid for members who had sought advice before remedial service statements have been issued. NASUWT asked if it could be made clear at an upcoming sub group meeting that costs would not be reimbursed if advice was sought before RSS issued. NASUWT suggested that financial advisers in England and Wales may be unaware that the process in Scotland was different.

8.6. SPPA confirmed that discussion was underway with delivery team on CETV and no issues or delays were expected. SPPA confirmed that letters had not been sent to active members as the priority was currently pensioners and deferred members who had not been written to in 2022; SPPA noted that this would be addressed at an upcoming subgroup meeting. Information will be published on the website.

8.7. On the issue of compensation, SPPA confirmed that although information would be published, it would not be before Christmas 2023 but the group would be updated if it was beneficial.

## **9. AOB**

9.1. SSTA raised concerns regarding abatement within the STPS, commenting that members in NPA 60 scheme who were under abatement continued to be under abatement in the CARE scheme and questioned if

this was fair. SSTA also noted that some member cases affected by abatement had been put on hold.

9.2. SPPA advised that abatement was a feature of the NPA 60 scheme and noted that HMT had no plans to change this. SPPA noted that reports of member cases being put on hold could be investigated if details provided.

9.3. EIS noted that enquiries had been received from members who had entered into agreements to purchase Early Retirement Reduction Buyout (ERRBO) surrounding the length of time it would be paid for and the eventual benefits in retirement. EIS asked if a valuation could be provided to members to provide guidance as to the amount that they could expect to receive.

9.4. SPPA noted that the early retirement reduction factors provided by GAD were indicative of the impact of claiming benefits early although consideration would be given to creating some demonstrative scenario examples for member guidance. SPPA noted following a question on timescales from EIS that it should be possible to bring to the next SAB.

#### **Action Point 156**

9.5. NASUWT raised concerns with the valuation data provided by GAD at a previous meeting and noted that the STPS had breached the floor limit, suggesting that the STPS was the only public sector scheme to do so.

9.6. NASUWT felt it an important principle about STPS that benefits were increased (or member costs reduced) should a floor breach occur and felt that a letter should be sent to the Scottish Ministers on behalf of the Board seeking that they inform HMT that we don't support the use of the economic check.

9.7. GAD noted that HMT set the direction for valuations and commented that had a floor breach not occurred, there would be higher upward pressure on employer costs.

9.8. GAD commented that STPS was not the only public sector scheme experiencing a floor breach.

9.9. SPPA agreed with the points made by GAD and commented that in Scotland the NHS and Police schemes were close to breaches also, although the Ministers were open to receiving views of the SAB and will pass the views to HMT if needed.

9.10. SPPA advised in response to a suggestion by the Chair, that while it would not be feasible for SPPA to write to ministers they were happy to accept a draft letter from the member side. **Action Point 157**

**10. Date of next meeting** – The Chair noted that the date for the next meeting is to be confirmed.

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



## STPS Scheme Advisory Board

Action Ref.	Action	Action Owner	Latest position	Action status
<b>157</b>	Member side to draft letter to Ministers expressing views on the use of the economic check	SAB		<b>New</b>
<b>156</b>	Demonstrative examples of ERRBO to be provided to SAB.	SPPA	Update - GAD colleagues have provided illustrative examples in Paper 8	<b>New</b>
<b>155</b>	Opt Out Form to be reviewed, and to include option indicating that employer had offered alternative pension solution.	SPPA	Update - Request made to SPPA Communications Team to add additional option box as requested.	<b>New</b>
<b>154</b>	SPPA to consider what further changes are needed to the draft scheme eligibility legislation in light of SAB feedback and will update SAB.	SPPA		<b>New</b>
<b>153</b>	SAB letter in support of Post-'92 Universities to be sent to Ministers	SPPA	Letter sent to Scottish Ministers	<b>New</b>

<b>152</b>	Covering letter to be drafted on behalf of SAB to attach to advice to Ministers on review of member contributions	SPPA	Letter drafted and approved by SAB and forwarded to Ministers.	<b>Closed</b>
<b>151</b>	Letter of thanks to be issued to Louise Wilson	SPPA	Letter of thanks issued.	<b>Closed</b>
<b>149</b>	SAB to provide comment to Scottish Ministers to express support for Post-'92 Universities	SAB	Letter presented as paper 4 at meeting of 6 December and approved by SAB.	<b>Closed</b>
<b>148</b>	Employers side to make effort to drive recruitment of new members and provide details of any new members by next meeting on 6 December.	SAB	Chair to engage with Employer side colleagues to drive recruitment	<b>Open</b>
<b>143</b>	Member side to draft letter 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	Letter drafted and presented in Paper 6 for SAB approval	<b>Open</b>

<b>131</b>	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 29 January. Update – meeting postponed – new date TBC.	<b>Open</b>
<b>128</b>	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	Paper provided at 6 SAB meeting on 6 December 2023.	<b>Closed</b>
<b>121</b>	Participation Rates: SPPA to provide reports to the Board when available.	SPPA	Participation reports for Q2 & Q3 2023/23 to be provided at next SAB meeting.	<b>Open</b>

<b>120</b>	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 for 2023 provided in Paper 4.	<b>Open</b>
<b>8</b>	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	<b>Remains open, no action necessary</b>