

STPS Scheme Advisory Board

Date	6 March 2024
Location	Virtual via Teams
Chair	Councillor David Parker
Members	Andy Witty (Colleges Scotland) Archie MacIver (UWS) Councillor Alastair Forsyth Councillor David Richardson Councillor Frances Murray Des Morris (EIS) Fiona Dalziel (SSTA) Iain Glennie (SSTA) Lorraine Davidson (SCIS) Mark Cook (Pension Board – Observer) Mary Senior (UCU) Mike Dolan (EIS) Mike Corbett (NASUWT) Phil Doggart (COSLA) Simon Cameron (COSLA) Stephen Stewart (EIS) Stuart Brown (EIS)
SPPA / SG	Brenda Callow (SPPA) Greg Walker (SPPA) Iain Coltman (SPPA) Joanne Dawson (SPPA) Stuart Robb (SG)
GAD	Anne-Marie Pettie Tim Weir
Secretariat	Paul Gibson (SPPA)
Apologies	Dave Wilkinson (NASUWT) David Barnett (SLS) Finn Mackenzie (SPPA) Greg Dempster (AHDS) Stephanie Walsh (SG)

1. Welcome and Apologies

- 1.1. The Chair welcomed attendees to the meeting.
- 1.2. The Chair noted that Papers 1, 2, 5, 6, 8 and 9 had been issued on 1 March 2024, with Papers 3 and 4 issued on 5 March 2024, and Paper 7 issued on 6 March 2024.
- 1.3. The Chair noted apologies and recognised that Mike Corbett was substituting for Dave Wilkinson as NASUWT representative.

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 6 December 2023 were discussed and updates provided on outstanding actions points:

- **Action Point 8:** Recurring action and **remains open.**
- **Action Point 120:** Long Covid ill health retirees data included on agenda as Paper 5. **Remains open as an occurring action.**
- **Action Point 121:** Participation rates reported 6 monthly - next report to be included in meeting in June 2024. **Action Point remains in place.**
- **Action Point 128:** Paper included on Agenda at SAB meeting of 6 December 2023. **Action Point closed.**
- **Action Point 131:** COSLA advise that work is progressing, with update to be provided at a future meeting. COSLA advise that no date for update or re-scheduled meeting could be confirmed. **Action point remains open.**
- **Action Point 143:** Included on agenda as Paper 7. **Action point closed.**
- **Action Point 148:** The Chair noted that discussions had taken place with employer side group leaders regarding nominations to fill vacancies. The Chair was hopeful that further information would be available in late March 2024. **Remains open.**

- COSLA noted that engagement had taken place within wider professional networks, with SPDS, and with directors of finance to fill vacancies and provide support to SAB.
- **Action Point 153:** SPPA noted that a letter had been sent to Ministers in December 2023 regarding increases to funding for employer contribution increases in Post-'92 Universities. SPPA confirmed a response had been received and circulated to Board on 6 March 2024. **Action Point closed.**
- **Action Point 154:** SPPA noted that further changes to scheme eligibility regulations were included on agenda in Paper 4. **Action Point closed.**
- **Action Point 155:** SPPA noted that work was continuing regarding review to Opt Out form. **Action Point carried forward.**
- **Action Point 156:** SPPA noted that an update on ERRBO would be provided in Paper 9. **Action Point closed.**
- **Action Point 157:** SPPA noted that the member side would be drafting a letter to Ministers regarding the use of economic check in valuations. It was noted that the member side would provide a draft at a later date. **Action Point carried forward.**

3.3. The minutes of the previous meeting and action points were approved and accepted as accurate

4. Proposed changes to STPS member contributions from 1 April 2024 – Draft Consultation Response

4.1. SPPA introduced Paper 3 containing the draft response to the Consultation on proposed changes to member contributions in the STPS.

4.2. SPPA noted that following analysis of consultation responses, approval had been received from Ministers to proceed with final contribution structure.

4.3. SPPA confirmed that the new contribution structure would be discussed at Technical Working Group (TWG) meeting on 7 March 2024, with publication of a Circular to follow.

4.4. SPPA presented a draft of the Consultation response and highlighted the key points within the document and confirmed that the Scottish Government remained committed to a tiered contribution structure.

4.5. SPPA acknowledged that due to effects of using the Consumer Prices Index (CPI) to manage annual increases, it had been necessary to increase the headline multiplier rate from 1.0179 to 1.202.

4.6. SPPA highlighted that this had meant that tiers would be increased above those in initial proposal and it had been necessary to freeze the top two tiers, with tiers one to four increasing in line with CPI, with tiers five and six remaining the same from 2024 to 2027.

4.7. During the discussion EIS raised concerns that the new consultation would not be implemented at the same time across all local authorities, leaving members to pay more in later months to make up a shortfall.

4.8. COSLA confirmed that all local authorities would seek to implement as effectively as possible

4.9. EIS noted the challenge surrounding the consultation response but raised concerns that recorded figures were not representative of different sizes of respondent groups.

4.10. SPPA noted that although the data provided in the consultation reflected the single number of responses to a particular question, future consultations would reflect the proportion of respondents from different groups responding to the consultation.

4.11. SPPA confirmed that the intention was to publish the consultation response and circular on 7 March 2024.

5. Scheme Eligibility Update

5.1. SPPA introduced Paper 4 on Scheme Eligibility and noted feedback on the draft instrument received following the December SAB meeting.

5.2. SPPA presented the amended draft to the group, discussed changes made to the document in light of the feedback received, and opened to the group for discussion.

5.3. Colleges Scotland responded that they were content with the change from 'teacher' to 'lecturer' in paragraph 6 of the schedule.

5.4. EIS noted the late receipt of the paper and indicated that as the group had had insufficient time to consider prior to the meeting they would prefer to convene separately to consider the paper and provide a response at a later date.

5.5. SPPA agreed to continue with the presentation and was happy to take comments on, or following the meeting once members had considered the paper further.

5.6. During the presentation, SPPA highlighted feedback surrounding member breaks in service and proposed that the regulations be amended to allow for a limited break without impacting on the ability to return to the scheme.

5.7. The group were broadly accepting of the paper but felt that it would be beneficial to discuss this after the meeting and provide a later response; the group asked if there were any specific time pressures for doing so.

5.8. SPPA noted that while any pressures were driven by employer enquiries, and were keen to clarify matters in a timely manner, they were agreeable to the request. **Action Point 158 opened - SAB to provide comments and feedback on the scheme eligibility proposals to SPPA following the meeting.**

5.9. The Chair confirmed that the paper would be accepted as presented and the group would reflect on the contents and would provide written feedback as soon as possible.

6. Ill Health Applications – Long Covid

6.1. SPPA introduced and presented Paper 5 on Long Covid data in ill health applications, highlighting the requested data and opening to the group.

6.2. The representative from Colleges Scotland asked for clarification of how the recorded number of ill health applications due to Covid sat with the total number of ill health applications received.

6.3. SPPA confirmed that the data was not to hand but would be provided after the meeting. **Action Point 159 opened.**

6.4. EIS noted that some members had difficulty providing supporting evidence and sought guidance on how long appeals would remain open.

6.5. SPPA confirmed that applications were judged on a case-by-case basis and would not be closed after an arbitrary date if it was known that further medical evidence was due to follow.

6.6. UCU thanked SPPA for the data and noted positively that this type of data was not readily available to SAB in England and Wales. UCU noted that the paper referred to the mention of Long Covid in applications and asked if data showed how many applications were solely due to Long Covid.

6.7. SPPA noted that it would be possible to check if that level of detail was available. **Action Point 160 opened.**

6.8. The Chair noted that the paper would be accepted and signposted the feedback to follow from SPPA on the areas requested.

7. McCloud (2015) Remedy Update

7.1. SPPA introduced Paper 6 and provided an update on Remedy, noting that the focus of the sub-group had shifted to communications and aspects of Remedy including Remediable Service Statements, Contingent Decisions and rollback to Legacy.

7.2. SPPA noted that the Remedy Hub available on the Agency website containing information to assist members had attracted positive feedback following its introduction and confirmed that the intention was to continually update this with new information as available.

7.3. SPPA discussed communications surrounding Remedy highlighting the ongoing use of employer letters and monthly retirement webinars in providing information.

7.4. SPPA provided an overview of updates to RSS, Contingent Decisions and rollback to Legacy exercises required to return eligible members to their legacy scheme for the remedy period and opened to the group for feedback.

7.5. EIS thanked SPPA for the update and acknowledged the level of work required to implement Remedy and asked if SPPA were content with progress of the project at this junction. EIS noted that individual members of the SAB may not see statutory letters before issue and suggested that it would be beneficial to provide to SAB for awareness prior to issue.

7.6. SPPA acknowledged the complexity of the project and noted that while progress had been acceptable, detail was yet to be provided by HMRC which had had an effect.

7.7. SPPA noted the request from EIS and confirmed that although development flowed from sub-groups, SAB and the Pension Board would be kept informed of changes to future communications.

8. Member side letter to HMT

8.1. EIS presented Paper 7 detailing a draft SAB letter on the link between Normal Pension Age (NPA) and State Pension Age (SPA).

8.2. EIS noted that recommendations within the Hutton report had not been enacted and indicated the SAB's intention to raise the matter with HM Treasury.

8.3. EIS sought guidance on whether the letter should be sent on SAB's behalf or if the Scottish Ministers should be included in order to elicit the views of the Scottish Ministers on the matter and request that a review of the link between NPA and SPA take place.

8.4. SPPA noted that while they were happy to provide secretariat support, Scottish Ministers had no powers to commit to, or deliver on any review that may take place. SPPA suggested that there may be merit in SAB corresponding with counterparts in England and Wales on the matter.

8.5. Following discussion, the Chair put the matter to the board and requested employer agreement by 29th March to submit the letter on behalf of the SAB.

8.6. The representative from Colleges Scotland confirmed that they would co-ordinate with employers to meet this target. **Action Point 161 opened.**

9. Independent Schools

9.1. SPPA introduced Paper 8 and provided an overview of data relating to Independents Schools' participation within STPS.

9.2. SPPA advised of recent withdrawal notifications received from Independent Schools and noted that regular updates regarding withdrawal requests could be provided to the SAB at future meetings.

9.3. UCU asked if SPPA held data on Independent Schools running two different schemes for teachers as was practice in some institutions and asked if the Scottish Government were concerned that this would weaken the scheme.

9.4. SPPA noted that this level of detail was not known, but confirmed that work was taking place to update the Opt Out form used by members to allow confirmation that they had opted out having been offered alternative provision.

9.5. SPPA acknowledged concerns with members leaving the scheme and indicated that this was one reason for implementing phased withdrawal, although decisions surrounding pension scheme offerings were the responsibility of the school boards. SPPA highlighted that the benefits of scheme membership continued to be promoted on the website and in communication materials.

9.6. The Chair confirmed that they were happy to accept this item as discussed and noted that a further update will be provided at the next SAB meeting. **Action Point 162 opened.**

10. ERRBO Illustrations

10.1. SPPA presented Paper 9 outlining illustrative examples of the effect of purchasing an Early Retirement Reduction Buyout (ERRBO) agreement and asked for SAB's views.

10.2. EIS highlighted the amount of benefit the member may stand to receive and the age that they would 'break even' and asked who decided upon the figures used.

10.3. GAD addressed the points raised by EIS and noted that the factors were determined on assumptions with some consistent with funding valuations and others prescribed by HMT.

10.4. GAD noted that the factors used were intended to be fair to members, but recognised that there would be 'winners' and 'losers' should members take out an ERRBO, depending on how long they ultimately survived. GAD acknowledged the point made by EIS regarding 'break even' age.

11. Date of next meeting

11.1. The Chair noted that the date of the next meeting was yet to be determined.

12. AOB

12.1. The Chair acknowledged that there was no other business and concluded the meeting and noted that the employer side would aim to provide the agreed update on the SAB letter to HMT by 29th March 2024.

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

STPS Scheme Advisory Board

Action Ref.	Action	Action Owner	Latest position	Action status
162	SPPA to update SAB on Independent School participation in STPS.	SPPA	This will be provided at SAB meeting on 24 June 2024.	New
161	Employer side to provide confirmation by 29 March 2024 whether SAB will support letter to HMT on link between NPA / SPA	SAB	Update - Employer side have indicated they are not in support of signing the letter. Letter to be signed by member side representatives.	New
160	SPPA to outline number of ill health applications received where Long Covid was sole / primary cause.	SPPA		New
159	SPPA to outline proportion of overall ill health applications made due to Covid detailing total numbers processed.	SPPA		New

158	SAB to provide feedback and comments to SPPA on the updated scheme eligibility proposals		No additional feedback was received	Open
157	Member side to draft letter to Ministers expressing views on the use of the economic check	SAB	Update 17 June 2024. Member side awaiting outcome of general election before drafting and presenting letter for SAB.	Open
156	Demonstrative examples of ERRBO to be provided to SAB.	SPPA	Update – GAD colleagues have provided illustrative examples at 6 March 2024 SAB meeting in Paper 9	Closed
155	Opt Out Form to be reviewed, and to include option indicating that employer had offered alternative pension solution.	SPPA	Update – Opt Out Form has been updated on SPPA website. It now includes tick boxes with a specific box to note if “Employer offered alternative pension solution”.	Closed
154	SPPA to consider what further changes are needed to the draft scheme eligibility legislation in light of SAB feedback and will update SAB.	SPPA	Updated draft regulations were presented at 6 March 2024 SAB in paper 4.	Closed

148	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. Update 6 March 2024 – Chair noted that discussions had taken place regarding filling vacancies and was hopeful further information would be available late March 2024.	Open
143	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 at 6 March 2024 SAB meeting in Paper 7	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 scheduled to be held 29 January was postponed. Further update to be given at next SAB meeting.	Open
121	Participation Rates: SPPA to provide reports to the Board when available.	SPPA	Participation reports for Q2 & Q3 2023/24 to be provided at next SAB meeting.	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 for 2023 provided at 6 March 2024 SAB meeting in Paper 5 .	Open
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

