

# NHS Pension Scheme Scotland Scheme Advisory Board

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## Draft Minutes

<b>Date</b>	19 November 2024
<b>May</b>	Virtual meeting via Microsoft Teams
<b>Chair</b>	Derek Lindsay (NHS Ayrshire & Arran)
<b>Attendees</b>	Alan Robertson (BMA) Graham Pirie (RCPOD) Lorraine Hunter (NHS Grampian) Lorna Low (RCM) Matt McLaughlin (Unison) Philip McEvoy (BDA) Robin McNaught (State Hospital) Ros Shaw (RCN) Tim Weir (GAD)
<b>SG / SPPA Officials</b>	Christoper Kowalski (SG) Finn Mackenzie (SPPA) Greg Walker (SPPA) Iain Coltman (SPPA) Jack McAllister (SPPA) Lorraine Spalding (SPPA)
<b>Apologies</b>	Daniel MacDonald (SG) Jane Christie-Flight (Unite)
<b>Secretariat</b>	Carole Bertram (SPPA)

## 1. Welcome and Apologies

1.1 Derek Lindsay welcomed attendees and asked if there were any conflicts of interest.

1.2 Finn Mackenzie advised Lorraine Spalding would be joining this meeting later to present paper 7.

## 2. Minutes of previous meeting and action log

### **Paper 2a – Draft SAB minutes of 17 September 2024**

2.1 Derek Lindsay, Alan Roberston and Tim Weir highlighted grammatical errors in 4.9, 5.1, 5.4, 6.1 and 6.11 of the minutes which will be corrected. Allowing for those corrections, the minutes of the previous meeting were held as accurate.

### **Paper 2b – Action Log**

2.2 Greg Walker talked through the outstanding open actions and provided the following updates:

2.3 **Action point 2024/05** – relating to a request from the SAB to include information on migrant workers in the regular scheme participation reports provided to the Board. Greg Walker confirmed that this request had been investigated with Scottish Government analytical colleagues and it was established that this information was not captured and, unfortunately, cannot be reported on. **Action point closed.**

2.4 **Action point 2024/06** – relating a request to improve the analysis of partial retirement uptake by including details on the number of Agenda for Change (AfC) staff and Medical/Dental staff. Greg Walker confirmed that currently this was not possible due to insufficient information collected by SPPA on a member's job role.

2.5 Matt McLaughlin asked if a question could be added to the application form for employers to indicate if the member was an AfC or Medical/Dental member of staff. Greg Walker will investigate if this can be added to the application form and reported on. **Action point carried forward.**

2.6 **Action point 2024/07** – Greg Walker advised that the employer section of the website had been updated to reflect the work done by SAB to clarify the treatment of pensionable allowances. **Action point closed.**

2.7 **Action point 2024/09** – was for SPPA to investigate ways of raising awareness of the absence of late retirement factors in 1995 section of the scheme. SPPA presented a paper at the last communications sub-group meeting which identified areas of the website which could be usefully updated in this regard. SPPA took a

further action to produce a form of words which could be added to the website and used in a member newsletter. **Action point carried forward.**

2.8 **Action point 2024/10** – was completed by the SPPA CEO writing to HMRC about concerns around the delays in providing Remedial Pension Savings Statements (RPSS) and the impact on members' ability to complete HMRC tax returns before the January deadline.

2.9 Alan Robertson commented on the response received from HMRC and the fact the letter was not dated. Alan also expressed his disappointment that HMRC were not willing to take the same approach as in 2024, where members affected by the McCloud remedy were not required to report AA tax charges on their tax return.

2.10 Alan Robertson highlighted that members were genuinely concerned about how they were expected to estimate their tax charge without their RPSS. Alan asked if he could share the information from the HMRC response with members.

2.11 Phil McEvoy commented that he was aware that other schemes had written to HMRC on this issue, but this was the first response of which he was aware. Phil stated that SPPA must act quickly to provide guidance to members on what they should do on their tax return where SPPA are not going to provide an RPSS.

2.12 Iain Coltman confirmed that the HMRC response was received on 14 November 2024 and confirmed the information could be shared with members. Iain recognised the issues which had been highlighted and the concern of members. Iain committed to take this back to the Executive Team at SPPA and advise them of the requirement for urgent guidance to be issued to members. **Action point closed.**

2.13 **Action point 2024/11** – related to the Practitioner Contributions Project currently being led by SPPA. SAB's opposition to the use of a 12.7% default contribution rate for practitioners was communicated to the project at SAB's request. **Action point closed.**

### **Paper 3 – NHSPS(S) Participation Rates – Q1 and Q2 2024/25**

3.1 Jack McAllister talked through the key points from the participation rate data and asked SAB if they had any comments.

3.2 Alan Robertson commented that he didn't understand the explanation for changes in participation and total numbers of Foundation Year 1 and Foundation Year 2 doctors that this was linked to junior doctors' rotation. Alan asserted that this is an issue with the data and is incorrect.

3.3 Jack committed to go back to SG analysts to seek clarity on the data. Jack commented that he will aim to clear this up on the next data report due to be presented to SAB in June 2025.

**AP 2024/12 - SPPA to investigate participation data for FY1 and FY2 doctors. Any issues to be cleared up on data report shared with SAB in June 2025.**

3.4 Jack McAllister specifically highlighted GP participation rates and that Practitioner Services Division (PSD) were now providing regular data cuts which aims to track how GP participation fluctuates through out the year.

3.5 Derek Lindsay thanked Jack for his comprehensive report and confirmed no further comments.

**Paper 4 – Proposed scheme changes to the NHSPS E&W.**

4.1 Jack McAllister talked through a short paper on a potential scheme change being proposed for the scheme in England and Wales. The proposed change makes amendments to the NHSPS Regulations in respect of additional hours worked by part-time staff. Jack asked SAB for any thoughts or comments.

4.2 Matt McLaughlin commented that nobody should be affected by this as employers should have followed the existing guidance. Matt voiced his concern about where members have not had their overtime hours treated correctly and what recourse is open to them.

4.3 Lorraine Hunter commented that she is confident that part-time staff working in Health Boards will have had their hours pensioned up to full-time because the payroll system does it automatically. Making those hours non-pensionable would require a manual control on the system.

4.4 Phil McEvoy asked who is going to identify and communicate to the people involved. Phil asserted this must be optional, and any repayment must be spread over a period at least equal to the period of the error.

4.5 Jack McAllister replied confirming, as Lorraine stated, we are confident our Boards have not wrongly pensioned any members. Jack confirmed that SPPA will communicate with employers, and it will be for employers to consider how they have treated these hours for part-time members and advise members if they have been treated incorrectly. Members would be allowed to spread the cost of repaying any eligible contributions.

4.6 Alan Robertson advised it would be important to establish from employers if any members were involved. This could be confusing if communication went directly to members. Alan Robertson wanted to clarify that this was an issue with the drafting of the 2015 regulations and this wasn't the fault of employers.

4.7 Greg Walker confirmed that the 2015 Regulations were drafted incorrectly and custom and practice, established by the legacy scheme regulations, had been followed in SPPA guidance and by employers.

4.8 Derek Lindsay asked if a letter is going to go out to the Boards to clarify practice and if there is an issue.

4.9 Greg Walker confirmed that a circular will be issued advising employers if the proposed change is implemented following consultation.

### **Paper 5 – Draft employer guidance on definition of a Practitioner member**

5.1 Greg Walker gave an overview of the guidance in this paper which was designed to support SPPA's Practitioner Contributions Remediation Project. The guidance aims provide clarity and guidance for employers on categorising General Practitioner (GP) and General Dental Practitioner (GDP) employments as 'Practitioner' or 'Officer' for pension scheme purposes.

5.2 Alan Robertson noted that he is happy to come back with comments at a later date.

5.3 Phil McEvoy asked for further time to consider feedback after the meeting.

5.4 Derek Lindsay confirmed comments on this paper to Greg by the end of November.

### **AP 2024/13 – SAB members to feedback views on guidance for employers on categorising GPs and GDPs employments as 'Practitioner' or 'Officer' for pension scheme purposes.**

### **Paper 6 - Budget Update**

6.1 Greg Walker gave a short update on the potential effect the measures announced at the recent UK Government Autumn Budget may have on NHSPS(S) members and employers.

6.2 Phil McEvoy commented that he felt that changes which will require SPPA to report and pay Inheritance Tax on pension would place an unwelcome administrative burden on the SPPA. Phil noted that he would be willing to support SPPA in its response to the consultation.

6.3 Alan Robertson echoed Phil's comments about the additional administrative burden without extra resource and similarly offered support to SPPA in responding to the consultation.

6.4 Greg Walker confirmed that SPPA would be responding to the consultation and noted the offers of support.

## **Paper 7- McLeod Remedy Communications Update**

7.1 Finn Mackenzie thanked the SAB members for allowing him to cover the business of the McCloud Communications Sub-group at today's SAB meeting. Finn talked through the open actions points from the sub-group and covered the website update. Lorraine Spalding provided a summary of the remedy communication changes.

7.2 Derek Lindsay thanked Finn & Lorraine for their presentation.

7.3 Alan Robertson asked about the provision of ABS-RSS for deferred members of the scheme, noting that they have historically not been provided with access to an annual ABS and that it was important they got the same attention as part of the McCloud project.

7.4 Lorraine Spalding replied that while the position with deferred members was difficult, they would be provided with the ABS-RSS, but it may not be in the same timeframe as they are provided to active members.

7.5 Lorraine Spalding confirmed that there is an intention to make the member newsletter more frequent.

7.6 Phil McEvoy referred to the member survey attached to the newsletter and asked if there had been any trends identified in the feedback which would be useful. He was aware that the newsletter had just gone out so might be too early to know.

7.7 Lorraine commented that it was too early to analyse feedback and the distribution list for the newsletter was still under review to ensure it was going out to as many members as possible.

7.8 Finn Mackenzie asked SAB for comments on the "Immediate Choice Remedy – Confirmation of outcome letter" which Lorraine had presented.

7.9 Matt McLaughlin noted that SPPA should be careful to ensure everything in the letter is set out in plain English and acronyms are explained (e.g. LTA). Matt noted that the letter was generally okay, but it can't be assumed that members know what these acronyms mean.

7.10 Alan Robertson and Derek Lindsay both confirmed they were generally content with the letter.

7.11 Finn Mackenzie confirmed there was a grammatical error but other than that this should be the final version.

## **Paper 8 – The NHS Pension Scheme (Scotland) Cost Claim Back Scheme**

8.1 Finn provided a verbal update on the Cost Claim Back Scheme. It was confirmed that the cost reimbursement rules are final. SPPA are now configuring the processes required to provide reimbursements and finalising member guidance which will be updated on the SPPA website. No timescale can be given on when this will be launched.

8.2 Alan Robertson replied this is available on the E&W website. The £1000 limit is important for members. The sooner this is on the website the better. Alan is looking for confirmation that £1000 is the correct amount.

8.3 Finn Mackenzie confirmed that the rules in Scotland are similar to those in E&W.

### **AOB**

9.1 Derek Lindsay thanked Ros Shaw for all her years on the SAB and her valuable contribution.

9.2 Iain Coltman also thanked Ros for her service to the SAB. Iain advised the Board that Jack McAllister is leaving the SPPA in December on a well-deserved promotion and thanked Jack for his contribution to the SAB and the SPPA Policy team.

9.3 Greg Walker confirmed he would arrange dates for next year's quarterly meetings.

