



SPPA

Scottish Public
Pensions Agency
Buidheann Peinneanan
Poblach na h-Alba

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| Meeting | Scottish Police Pension Board |
| Meeting date | 05 March 2025 |
| Meeting time | 10:30 |
| Meeting location | Hybrid |

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| Pension Board members | Shirley Rogers | Chair |
| | Steven Whalley | Vice Chair |
| | Andrew Barker | Pension Board Member |
| | Brian Jones | Pension Board Member |
| | Darren Paterson | Pension Board Member |
| | David Christie | Pension Board Member |
| | Lorna Cunningham | Pension Board Member |
| | Sharon Dalli | Pension Board Member |
| Scottish Public Pensions Agency (SPPA) attendees | Chief Operating Officer | |
| | Head of Policy | |
| | Project communications & Engagement Lead | |
| | Finance Business Partner | |
| | Chief Executive Officer | |
| | Head of Strategy, Governance and Communications | |
| Apologies | Chief Operating Officer | |
| | Programme Director | |
| | Strategic Communications Lead | |
| | Risk and Assurance Manager | |
| Minutes | SPPA Governance Delivery Lead | |

1. Welcome and apologies

- 1.1 The Chair welcomed all attendees and noted apologies from the SPPA Chief Operating Officer, SPPA Programme Director, SPPA Strategic Communications Lead and SPPA Risk & Assurance Manager.
- 1.2 No new interests were declared.

2. Minutes of the previous meeting

- 2.1 The Board agreed that the minutes of the previous meeting were a true and correct record.

3. Chief Executive Overview

- 3.1 The Chief Executive Officer, SPPA provided opening remarks and noted key points:
 - SPPA had been working through internal resources to enable delivery of Remedy, with many vacancies having been filled
 - Budget had been attained for forthcoming financial year with SPPA obtaining the majority of what was asked for

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- SPPA were aiming to become a more mature digital function, with the Operations team re-structured and the appointment of a Chief Transformation Officer
- SPPA were looking to stabilise core business, with a key goal of ensuring Annual Events were taking place on time and governed correctly
- Remedy was occupying a large amount of time and energy, amplified by resource constraints which SPPA were still working through
- Acknowledged Remedy has had additional impact on the Police scheme and that this was a priority moving forward
- A lot of Remedy work was already over the line but retired members were still outstanding, with SPPA keen to stress this was due to external factors such as awaiting clarification from HMRC on tax complications. It was also noted that some organisations have had to redo their remedy statements as they were incorrect, which helped to justify the SPPA approach to delay until content can deliver accurately.
- Next financial year goal was to complete Remedy and ensure governance around core BAU work was in a much stronger position

3.2 The Board noted the update and further discussed:

- The point around HMRC tax complications and how this had not gone unnoticed by Board members
- The Board understood the challenges SPPA had faced with Remedy
- Noted that retired members were grateful for the additional communications around Remedy delivery
- SPPA were keen to highlight they go through the Government Actuarial Department (GAD) for all Remedy calculations, which was a cumbersome process, but gave them a high degree of confidence that figures were correct; SPPA emphasised they were focussed on ensuring they get it right first time
- The potential for communications to be more illustrative for retired members, with SPPA agreeing to review for effectiveness
- Further enhanced communications around Remedy timetables would be useful for retired members, highlighting the accuracy of information and process capacity in SPPA. The suggestion around including confirmation that there would be no detriment to members was also considered, with the potential for this to be included in upcoming member newsletters
- Over 100 Remedial Service Statement's (RSS) had been issued thus far, caveated by the issues around HMRC tax implications
- The verbal abuse received by union representatives/agency staff, with the Board conveying this was not acceptable in any way

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| P0325.01 | SPPA to enhance communications around Remedy timetables for retired members, highlighting accuracy of information and process capacity. |
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| P0325.02 | SPPA to include confirmation of no detriment to scheme members in upcoming member newsletters |
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4. BAU Scheme Data

4.1 The Chief Transformation Officer, SPPA provided an overview of BAU Scheme Data, noting key points:

- In terms of engagement, SPPA representatives would be attending both the Retired Police Officers Association and Scottish Police Federation conferences to answer any questions from members
- Quality Assurance resourcing was ongoing with the aim of ensuring a higher quality of service moving forward
- New Management Information (MI) had been developed which had been rebuilt over the past 12 months, with SPPA confirming this was still ongoing for further development; the MI work had improved internal performance metrics and ensured data was readily available for SPPA to share with the Board
- Website satisfaction statistics were down, with the reason attributed to the launch of the new Webform which had experienced teething problems; SPPA were confident this would improve processes once properly embedded, and scores would rise
- Another principal reason around lower website satisfaction rates was around Remedy questions, with members not getting the answer they desired
- SPPA were keen to get the Remedy project over the line, followed by the Annual Pension Increase (API) process; work would then be prioritised in the best way going forward
- Potential for Remedy dates to move again if more cases than anticipated fall out with automation capabilities
- SPPA were hoping to provide compliance metrics to the Board in the future, which would highlight the agency's performance against the TPR General Code.

4.2 The Board noted the update and further discussed:

- The need for settled data to look at trends
- Future of agency resource following the conclusion of Remedy, with future budget conversations to take place with Scottish Ministers
- Details around the launch of Webform, with a suggestion of making communications clear around this replacing e-mails
- Details around automation against manual calculations and the anticipated Remedy deadline date of 31 May, which was based on SPPA modelling; SPPA would issue communications as soon as possible if this anticipated date changed
- The role of Technical Services (Compliance) on the revised Operations structure chart, with SPPA confirming this role would act as a conduit to ensuring a piece of policy becoming a project, then finally into a BAU process

4.3 The Financial Business Partner, SPPA noted the financial figures contained in the meeting pack, with these figures stable. Underpayments were not tracked and reported but instead dealt with on an ad-hoc basis. It was agreed to investigate

the figure relating to overpayments in fiscal year 2022 as this seemed abnormal, as well as looking into adding reasons for overpayments back into reporting.

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| P0325.03 | SPPA to investigate overpayment figure in fiscal year 2022 which appeared to be substantially higher than other years |
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| P0325.04 | SPPA to include reasons for overpayments back into Board reporting as per request from Board members |
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5. Annual Events

- 5.1 The Chief Transformation Officer, SPPA provided an overview of BAU Scheme Data, noting key points:
- Data relating to a small number of errors/warnings in the pack for API's were normal; no flags raised, and this was something that happened every year
 - Scheme valuations were on track, with SPPA working with GAD to confirm calculations – currently a work in progress
- 5.2 The Board noted the update and further discussed:
- Timescales around scheme valuations, with SPPA noting the work with GAD would conclude towards the end of 2025; this would become clearer as the work progressed
 - Police was in the best condition of all schemes currently, with valuation results anticipated to be available in around 12 months

6. Legislative Projects

- 6.1 The Chief Transformation Officer, SPPA provided an overview of Legislative Projects, noting key points:
- Remedy had been acknowledged already during the meeting, but re-emphasised a point around information that was shared with the Board on 19 February 2025 relating to revised timescales
 - Around 130 Annual Benefit Statements (ABS) relating to Remedy were still to be issued with SPPA acknowledging communications would be tailored to those affected, particularly to explain delays for those with transfers.
 - Remedy dashboards would be issued weekly, which would supply information on progress to the Board on an ongoing basis; the latest dashboard was shared with Board members in the meeting with positive feedback obtained on getting regular updates on progress.
 - Details on rejections for Contingent Decisions were raised by the Board, with SPPA agreeing to take this away and report back

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| P0325.05 | SPPA to issue communications to members directly affected by the non-issue of Annual Benefit Statements relating to Remedy |
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| P0325.06 | Details on rejections for Contingent Decisions were raised by the Board, with SPPA agreeing to take this away and report back |
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The Board stopped for a ten-minute break

7. Business Transformation Update

7.1 The Chief Transformation Officer, SPPA provided an overview of Business Transformation, noting key points:

- SPPA's strategy was to become a digital organisation, to bring process improvement and technology into processes
- Talked through the agencies strategic dashboard which included plans for automation, standardising and simplification of processes and capacity building
- How SPPA can build on existing automation following the delivery of Remedy and incorporate into BAU processes; SPPA plan to build a roadmap with future automation possibilities
- SPPA were looking at i-connect and working with the supplier to make the system more effective
- The Engage portal was being investigated, with SPPA hoping to get this up and running for Police scheme members
- Government Dashboard legislation was on the horizon, with a need to ensure that data and automation is in a place to be an enabler for the project
- A digitised member service was the future goal, with improved quality of data and automation fundamental
- Acknowledged Remedy was delaying part of this journey with resource being utilised elsewhere
- Procurement strategy would be reviewed, with a need to identify what SPPA's pensions platforms would look like going forward

7.2 The Board noted the update and further discussed:

- A session on the Government Dashboard legislation and what this means for the scheme would be useful; SPPA agreed to bring this back as an agenda item for the next meeting
- A lot of work around Government Dashboard would be related to quality of data; it was acknowledged that this should improve with transformation enhancements

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| P0325.07 | SPPA agreed to bring Government Dashboard legislation as an agenda item for the next meeting |
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8. Risk

8.1 The Head of Strategy, Governance and Communication provided an overview of Risk, noting key points:

- SPPA had provided the top agency risks that impacted the Police Pension scheme:
 - Remedy: noting risk score had reduced marginally from when the meeting pack was published
 - Service and Data: Risk score was static, but this would always be fairly high

- Police Data Security: This was well mitigated with data protection controls
- The Board offered support on top risks with SPPA open to having discussions offline around mitigations and controls; it was agreed that a separate meeting would be set up to facilitate this discussion
- SPPA were encouraged to add additional information around internal controls for each risk, which was accepted
- The agency's Audit and Risk Committee (ARC) actively monitor SPPA's risks/controls, which provides assurance

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| P0325.08 | SPPA to arrange an offline meeting with Police Board members to discuss risk mitigations/controls |
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9. Member Engagement

9.1 The Project communications & Engagement Lead provided an overview of Member Engagement, noting key points:

- Re-iterated the downward trend in terms of satisfaction scores relate primarily to the delivery of Remedy
- Positives included the improvement of website navigation and the issuing of member newsletters
- Remedy communications had been the subject of focus with the establishment of clear communication principles
- Confirmed the majority of the SPPA website had now been updated and stakeholder briefing documents issued
- Ran through upcoming activity – weekly dashboards, monthly updates and newsletters to members

9.2 The Board noted the update and further discussed:

- Contact from members around pro-forma emails being sent when they make their election to repay contributions, with the information around dates unclear. SPPA agreed to look into this
- The importance around clarity of communications to retired members, with SPPA encouraged to advertise any information where possible

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| P0325.09 | SPPA to investigate email communication around members repayment contributions |
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10. Governance

10.1 The Chair provided an overview on the main Governance points raised prior to the meeting from Board members:

- Noted the concern around the move from four Boards meetings per year to two, and if the two additional events specifically cover Police pension matters
- Noted anxiety around the role/function of the Police Board moving forward, specifically on the point around 'assisting the scheme manager' and what this entailed

- The purpose/aim of Board meetings going forward, with Board members keen to ensure they did not become passive and merely a means of passing information on to scheme members; Board members were keen to understand what value they would be adding to the agency
- If the Board was restricted to legal/regulatory issues as opposed to providing input on key projects; it was noted that this would make communication to scheme members difficult without access to appropriate information
- Uncomfortableness from scheme member and employer representatives in having fewer Police Pension Board meetings per year, with a concern this would provide SPPA with less scrutiny and assistance
- The difficulties in explaining the governance changes to scheme members at a time when relations were already strained due to delays with Remedy

10.2 The SPPA provided a response to the concerns raised by Board members, noting key points:

- Assured Board members that key projects would still be reported to the Board as they were currently, particularly anything related to the Police Pension scheme
- Noted additional ad-hoc meetings around specific topics would take place, if necessary, with this considered a more efficient way of addressing key issues as opposed to a standard Board meeting
- Noted the rationale for a change in frequency of Board meetings was around sustainability, ensuring the SPPA Governance team were able to support in a sustainable way moving forward
- SPPA were keen to stress that there would remain four Board engagements per year, but structured in a more effective way
- Two additional conference-style events would take place, with the aim of providing additional value to Board members; topics for these events would be carefully chosen with SPPA keen to implore Board members to give the concept a chance to embed
- Noted the historic nature of content/discussions at Board meetings was different, accepting the change of approach was difficult, but stressed the importance of working together to get this correct
- Re-emphasised the Board was there to act in an advisory capacity; the SPPA must do what is best for all scheme members, with decisions not driven by the Board.
- Highlighted the continued need for input from Board members on judgements/decisions, but the final call sits with the agency
- Noted the Terms of Reference for the Board would require an update, but this would not change the nature of discussions with Board members
- Stressed the need for a working partnership with the Board moving forward, with SPPA committed to ensuring the best service for all Police scheme members; it was emphasised that this would be a partnership rather than the Board holding SPPA to accountability

10.3 The Board noted the update and further discussed:

- What the purpose of Board meetings would be going forward and if Board members would still be able to provide sufficient value

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- The Board's effectiveness in being able to fulfil the legislative requirement of assisting the scheme manager; it was noted the need for Board members to clearly see the governance around the scheme managers decisions
- The difficulty employee and staff association representatives would have selling this proposal to scheme members, with the reduction in formal Board meetings appearing as a dilution of engagement with SPPA
- The details of SPPA's communication with The Pensions Regulator (TPR); and the support received from the proposal from TPR, subject to the additional Board events being of sufficient value to Police Board members
- The Chief Executive, SPPA agreed to consider the conversations that had taken place during the meeting and reflect on key points raised
- A further point on the Governance pack around ABS statements and if the fact that they were not delivered by the 31 August 2024 constituted a breach; SPPA agreed to investigate this and come back to the Board offline.

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| P0325.10 | SPPA to investigate if non-rollout of ABS statements before 31 st August 2024 constituted a regulatory breach |
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Post-meeting note added by SPPA Secretariat

Further to the board meeting discussion held on 5 March 2025, engagement between the Scheme Manager, Accountable Officer and Ministerial Office, has confirmed support of the revised Pension Board rhythm.

11. Horizon Scanning

- 11.1 The Chair noted the upcoming legislative requirement of the Government Dashboard which was mentioned earlier in the meeting
- 11.2 The Head of Policy, SPPA highlighted upcoming changes to regulations, with a slight increase to the member contribution rate noted, and the removal of assessment to determine eligibility of health benefits for scheme members
- 11.3 Noted the constitution response to the Government consultation on inheritance tax, with legislative changes something to keep an eye on for not only this Board, as it impacted the Pensions industry as a whole

12. Review of Action Points

- 12.1 The following actions were approved for closure:
 - P1122.07
 - P0624.05
 - P0624.09
 - P0824.01
 - P0824.03
 - P0824.04

The following actions originally marked for closure were requested by the Board to remain open, with more information required:

- P0624.07
- P0624.02

13. Any Other Business

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- 13.1 The Police Pension Account Summary for 2023/24 was included in the pack for noting, with the Board noting this as an annual agenda item update.

Summary of new Actions

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| P0325.02 | SPPA to include confirmation of no detriment to scheme members in upcoming member newsletters |
| P0325.03 | SPPA to investigate overpayment figure in fiscal year 2022 which appeared to be substantially higher than other years |
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| Version Control | | |
|----------------------------------|------------|----------------|
| | | Version number |
| Date minutes sent to chair | 19/03/2025 | V0.1 |
| Date approved by chair | 21/03/2025 | V0.2 |
| Date approved by Board/committee | 09/04/2025 | V0.3 |
| Date of publication | | |