



Scottish Public
Pensions Agency
Buidheann Peinnseanan
Poblach na h-Alba

Scottish Police Pension Board Terms of Reference

Scottish Police Pension Board Terms of Reference Latest Revision Date: August 2025

1. Introduction

This document sets out the Terms of Reference of the Scottish Police Pension Board (hereafter referred to as 'the Board'). This Board is established under [SSI 2015/142/ Part 3/Regulation 7 of The Police Pension Scheme \(Scotland\) Regulations 2015](#), in accordance with the requirement set out in [Section 5 of the Public Service Pensions Act 2013](#).

The Scheme Manager as set out in [SSI 2015/142/Part 3/Regulation 5 of The Police Pension Scheme \(Scotland\) Regulations 2015](#), is the Scottish Ministers. The Board is responsible for “assisting the Scheme Manager” with the governance and administration of the Scheme. This includes helping SPPA to comply with the Scheme regulations, and any other relevant legislation and requirements as set out by The Pensions Regulator (TPR) in relation to the Scheme.

Relevant information about its operation is contained in these Terms of Reference.

2. Roles and Responsibilities

2.1. Accountability

The Board collectively, and members individually, are accountable for assisting the Scheme Manager with the responsibilities outlined in section 2.3.

2.2. SPPA

SPPA assumes the day-to-day role of Scheme Manager as detailed by Scottish Ministers via the Agency [Framework Document](#).

2.3. The Board

In its role of assisting the Scheme Manager, the Board is expected to provide advice on the governance and operation of the scheme administration and to support SPPA meet the legal and administrative requirements of the scheme.

The key functions of the Board can be summarised as follows:

- Support SPPA with compliance with the law and requirements of The Pensions Regulator's General Code of Practice
- Provide insight and support to SPPA's engagement with employers, members and stakeholders
- Assist with designing, developing and delivering effective communication to scheme members
- Using their expert knowledge to advise on priorities and horizon scanning for issues and opportunities. To offer improvements on processes
- Any other relevant work requested by the Scheme Manager.

The Board operates in an "advisory" capacity in that it is not an executive decision-making Board.

The Board will exercise all its powers and duties in accordance with the law and this Terms of Reference.

The Board may request additional reports from the Scheme Manager only to the extent reasonably required for the proper performance of their role.

2.4. Relationship with the Scheme Manager

The Chief Executive of SPPA or the Deputy Chief Executive will, where possible, attend meetings of the Pension Board. Some examples of additional engagement include:

- Chairs of the Pension Boards will regularly meet with the Chief Executive, or Deputy Chief Executive
- SPPA will share monthly communications with Pension Boards which provide updates of scheme performance, except in the months where board meetings take place (as paper packs will be shared)
- The Governance Team will regularly discuss Board matters with the Chair to ensure effective running of the Board
- The Chief Executive will hold individual discussions with Chairs to assess competence in relation to discharging their responsibilities.

3. The Schemes are:

- Police Pension Scheme (Scotland) 1987
- Police Pension Scheme (Scotland) 2006
- Police Pension Scheme (Scotland) 2015

4. Membership

The membership of the Pension Board will consist of:

- An independent Chair appointed by the Scheme Manager
- Three Member nominated representatives who represent the diverse membership of active, deferred and retired scheme members
- Three Employer nominated representatives who can offer the breadth of employer representation for the Scheme

Employer and Member representatives will remain equal in number at all times.

SPPA will be represented at the Board by the Chief Executive or Deputy Chief Executive, or another member of the Executive Team (ET), as appropriate to support the agenda discussion, however they will not be a Pension Board member.

Pension Board members should attend all meetings unless there are exceptional circumstances. No substitutes will be permitted. Observers, or subject matter experts, may attend meetings at the discretion of the Chair but will not attend as a Board member.

5. Terms and Appointments

A term of office shall be for four years with members allowed to serve a maximum of two terms, or eight years.

Independent Chairs will be appointed by the Scheme Manager and will also serve a maximum of two terms or eight years.

In exceptional circumstances, extensions of the maximum eight-year term may be considered, at the discretion of the Scheme Manager.

The SPPA 'Boards Appointments and Nominations' Policy outlines the process whereby replacement nominations will be sought for the Board and how SPPA will make an appointment.

Members are expected to comply with the terms of their appointment and declare any interests on appointment and routinely thereafter. Members will be expected at all times to comply with the SPPA 'Board Members Code of Conduct'.

Members may resign from the Board by giving notice in writing to the Chair and Scheme Manager. Members will give as much notice as practically possible of their intention to resign.

Remuneration is limited to the Independent Chair and will be agreed on appointment in accordance with standard Scottish Government terms. It is

expected that nominating organisations cover the cost of any expenses incurred by their Board members.

6. Quorum

At least one member and one employer representative and the Chair, will constitute a quorum for the Board meeting to proceed.

If due to unforeseen circumstances the Chair becomes unavailable, and rescheduling the meeting or moving it online will not provide a solution, SPPA will ensure that one of the other three Pension Board Chairs will chair the meeting. Alternatively, another SPPA Non-Executive Member from the Management Advisory Board (MAB) will be requested to chair the meeting.

7. Meetings & Secretariat

SPPA will strive to have four engagements with the Board throughout the year. This will usually consist of:

- Spring board meeting
- Autumn board meeting
- Annual training event
- Annual seminar.

The SPPA Governance Team will undertake the secretariat function for meetings ensuring;

- That suitable facilities are available
- An annual schedule of meetings is arranged with an agenda plan in place and approved by the Board
- Papers will be distributed a minimum of five working days (one week) prior to each meeting. Papers will usually be uploaded to the 'Knowledge Hub' portal for download by Pension Board members.
- Draft minutes of meetings are circulated to the Board Chair within ten working days (two weeks) following each meeting
- Draft minutes will be formally approved electronically before the next scheduled meeting of the Board.

Minutes of meetings of the Pension Board will be made available on the SPPA website following formal approval.

8. Expected behaviours and standards

Legislation requires that Board members do not have any conflict of interest¹. The regulator sets out within the code, the standards of behaviour and conduct expected from the governing body². As the Pension Board has responsibility for assisting the Scheme Manager in meeting their legislative duties, these standards apply also to members of the Board. The standards currently expected by SPPA of Pension Board members are set out in SPPA Board Members: Code of Conduct.

Additionally, Board members **must** report breaches of the law to The Pensions Regulator if: there is reasonable cause to believe that a legal duty, which is relevant to the scheme has not been, or is not being complied with, and that the failure to comply is likely to be of material significance to The Pensions Regulator³. Each individual Board member carries this responsibility⁴.

Board members should raise any concerns or issues with the Chair in the first instance, before approaching the Scheme Manager.

9. Other Forums

SPPA may invite members of the Pension Board to support technical or project working groups to assist the Scheme Manager. Working groups form part of ongoing engagement between SPPA and the Pension Board, and they will be reporting to the Pension Board as required. When participating in all groups, the board member(s)' role is to assist the Scheme Manager.

10. Knowledge & Understanding

In accordance with TPR General Code, the Pension Board must:

- be conversant with:
 - a. the rules of the Schemes, i.e. the Regulations and other legislation governing the Schemes; and
 - b. the scheme administrative processes
- have knowledge and understanding of the law relating to pensions.

Knowledge and understanding must be adequate to contribute to and support the role of the Board in assisting the Scheme Manager.

¹Section 5(4) Public Service Pensions Act 2013

² Page 10, Paragraph 6, The Pensions Regulator General Code of Practice

³ Page 158, Paragraph 1, The Pensions Regulator General Code of Practice

⁴ Page 159, Paragraph 3(b), The Pensions Regulator General Code of Practice

The SPPA 'Boards Training Policy' outlines the approach SPPA will take to assessing Board members knowledge and understanding and delivering subsequent training. Board members are expected to comply with the requirements of this policy to declare self-learning and development to SPPA.

The annual training event referenced above as part of Board engagement cycle, will contribute towards board development/knowledge and understanding and fulfil the scheme manager's obligation to provide training and development for board members.

The Chair will conduct an individual meeting with each Pension Board member at least annually, assessing competence in relation to discharging their Pension Board member responsibilities. The focus of these meetings will be at the discretion of the Chair but will likely include:

- Board members contributions to wider Board discussions
- Board members views on effectiveness of the Board
- A discussion on knowledge and understanding of Board matters.

11. Review of Effectiveness

The Board will review its own effectiveness on an annual basis. Any improvement actions identified and shared.

12. Review of Terms of Reference

These Terms of Reference of the Board will be reviewed by SPPA on a regular basis (at least every two years).