

Scottish Firefighters' Pension Scheme Advisory Board

Date	01 July 2026
Location	Virtual via Teams
Chair	Iain Coltman (SPPA)
Members	Alan Duncan (AD) Scottish Fire and Rescue Service (SFRS) Brian Baverstock (BB)(SFRS) Glyn Morgan (GM) (Fire Officers' Association) John McKenzie (JM) (Fire Brigades Union)(FBU)
Observers	N/A
SPPA / SG	Finn MacKenzie (FM) (SPPA) Jason Grainger (JG) (SPPA) Karen Gilchrist (KG) (SPPA) Derek Smith (DS) (SG Safer Communities Division)
GAD	Rachael Henry (RH)
Secretariat	Lorraine Gallagher (SPPA)
Apologies	Colin Brown (CB) (FBU) Mark Rowe (MR) (FBU) Erica Glancy (EG) (SFRS) Kate Thomson-McDermott (K T-M) (SPPA) Claire Johnson (Local Government Association) Tara Atkins (Local Government Association)

1. Welcome and Apologies

- 1.1. The Chair (IC) welcomed attendees and advised the meeting would be recorded for the purpose of the minutes.
- 1.2. Apologies were noted from Mark Rowe (Fire Brigades Union), Claire Johnson (LGA), Tara Atkins (LGA), Kate Johnson- McDermott (SPPA) and Erica Clancy (SFRS).
- 1.3. Colin Brown (Fire Brigades Union) may join the meeting later.

2. Conflicts of Interest

- 2.1. No conflicts of interest were declared.

3. Minutes of previous meeting and matters arising

- 3.1. The minutes of the meeting held on 1 April 2026 were reviewed. The minutes were approved to be added to the SPPA website.
- 3.2. The Chair noted there were no matters arising.

4. Action Points

4.1 (KG) **Action Point III** - SPPA to provide updates on potential additional costs relating to Matthews elections starting to be received.

4.2 (JG) confirmed that SPPA are now working with Scottish Government Automation Centre of Excellence, focusing on testing and impact on data. SPPA have issued some statements and are working closely with SFRS to ensure understanding of outputs and feedback, following this more statements will be issued.

4.3 (JG) offered feedback from the data received and noted it is intended to create dashboards for illustration purposes. Many firefighters are being classed as being on the “happy path.”, meaning they are not converting service, they are remaining in the modified or retained schemes.

4.4 (JG) reported that one case had a notably elevated level of contributions, driven by factors such as interest and the period of service being purchased. While most contribution amounts are in the low

thousands of pounds, one case involved contributions of approximately £26,000, the highest seen to date.

4.5 (JG) reported that additional service purchased ranged from less than two years to approximately eight years, resulting in varying pension increases, with the highest estimated increase being just under £9,000 per annum. Most cases would receive increases of less than £1,000 per annum.

4.6 (JG) noted that these figures are service-related and emphasised that there is no cost to firefighters to request a statement and obtain this information.

4.7 (JG) explained that the position differs when payments are required. Some active members may still be making payments by instalments over periods such as 10 or 20 years.

4.8 (JG) noted that for pensioner cases assessed to date, the value of the additional benefits generally offsets the contribution amounts due, meaning there is unlikely to be any significant additional cost to the firefighter, emphasising the importance of this point, The calculations completed so far are encouraging, as much of the cost can be offset against the benefits payable. (JG) invited questions.

4.9 The Chair thanked (JG) for the update.

4.10 (JG) confirmed he would be covering Matthew's in the projects update later in the agenda and invited any further questions following his update.

4.11 (KG) Action Point 118 - SPPA to update the presentation to include data highlighting the proportion of the overall membership base registered for MSS, which is now Engage and share the slides with the group.

4.12 (JG) proposed to show a separate slide, which confirmed that 4,155 firefighters were registered as of 29 June 2026, registration is increasing, notably in February and March 2026. The split showing active, approximately 34.91%, deferred, approximately 15%, pensioner, approximately 29%. This equates to approximately 29 % engagement across all cohorts . April figures are not available. Members are being actively encouraged to register for Engage. SPPA are looking to increase functionality for firefighters using this platform.

4.13 The Chair thanked (JG) and invited questions.

4.14 (JM) suggested that, on a temporary basis, the Board receive regular updates on key changes affecting member engagement and communications, including electronic Annual Benefit Statements, MSS now Engage to help maintain oversight of any impact on engagement.

4.15 (IC) proposed to close the action point and the SAB will have this as a standing agenda item, either under projects or the participation rates paper, discussion to follow to conclude where this information will be presented.

4.16 (KG) **Action point 121** - to revisit gender pension gap issue/assumptions at second meeting of 2026, when sufficient data available from the 2024 GAD Evaluation.

4.17 (IC) Action point 121 to be carried forward to the third meeting of 2026.

4.18 (KG) **Action point 122** - with reference to figures in the weekly remedy dashboard, more detailed breakdown was requested.

4.19 (IC) asked if the amendments were now meeting expectations and asked for (JM) to offer his thoughts.

4.20 (JM) While recognising that firm deadlines may not be appropriate, members agreed that it would be helpful to have an indication of anticipated progress and resolution timescales to help manage expectations.

4.21 The monthly updates were welcomed, and it was suggested that these reports could be enhanced by including a little more detail on progress, key milestones, and any projected timelines where available.

4.22 (IC) thanked (JM) for his contribution and advised the feedback will be passed to the project team. **Action Point 125 opened**

4.23 (JG) **Action Point 123** (JG) clarified that the discussion related to deferred members who left service during the remedy period, rather than members who may retire in the future. A total of 433 firefighters have been identified within this cohort.

4.24 (JG) advised progress on Immediate Choice Remediable Service Statements (IC-RSS) currently stands at 63.63% overall. Work is ongoing

with the Automation Centre of Excellence to address the remaining cohorts.

4.25 (IC) noted that the project puts together burndown charts for each cohort which gives estimated time scales for completion. It is expected that there will be no issue with sharing that information along with the dashboard in future.

New Action Point – Sharing information. Action Point 126 opened

4.26 (KG) **Action point 124** - (KG) noted this is for Matthew's letters. A sample range of templates with details redacted to be shared with SAB as a reference point.

4.27 (JG) advised that SPPA have worked closely with SFRS and FBU, including attending a monthly Firefighters' pensions communications subgroup. The documents have been finalised and can now be shared with the SAB.

4.28(JM) agreed that he was content that the Action Point had been fully addressed. (IC) thanked the group and agreed to close the action.

4.29 (JG) provided context which he felt would be useful for the SAB. He advised himself and Karen attended a meeting with FRA in Exeter, Hereford, and Worcester at the start of June, letters and engagement were some of the challenges they encountered. He highlighted the underlying complexity and explained how SPPA are trying to use automation for this process whilst making the communications clear for members.

4.30 (IC) summarised and suggested that the SAB may benefit from a quarterly update from the comms sub group, he asked for feedback.

New Action Point – (IC) to liaise with Lorraine Spalding regarding a possible quarterly comms update for the SAB.

Action Point 127 opened

5. Scheme Legislation Update

5.1 (IC) introduced Paper 3, scheme legislation update and asked (FM) for an overview.

5.2 (FM) provided the following details and summary of the paper.

Opted out Service buy-back

5.3 A legislative issue was identified which prevented some firefighters who opted out during the remedy period from restoring their full remediable service in the 1992 Scheme. A UK-wide solution has been agreed in principle, with Scottish Government legislation expected later in 2026. A technical consultation is planned, and SPPA is already progressing relevant cases in line with ministerial agreement.

Firefighter Contribution Structure

5.4 Following consultation, a revised contribution structure was implemented on 1 July 2025. The new approach uses actual pensionable pay rather than whole-time equivalent pay, retains the four-tier contribution structure, and includes a mechanism to update contribution bands in line with annual pay awards.

Matthews Second Option-Further Amendments

5.5 Following the 2025 Amendments to the 2007 Regulations, further minor amendments and clarifications have been identified, including changes relating to death grants, conversion options for special deferred members, and eligibility for certain opted-out members. A further technical consultation is expected.

Amendments to Public Service Pensions Act 2013 (Amendment of Section 3) Order 2026

5.6 Amendments to the Public Service Pensions Act 2013 now require Scottish Ministers to obtain Treasury consent before making future changes to police and firefighters' pension schemes. This reflects revised funding arrangements and aligns governance with wider public service pension schemes.

5.7 (IC) thanked (FM) and asked if SAB had any questions.

5.8 (JM) asked (FM) to clarify, for accuracy the valuation period noted in the first paragraph was 1st April 2024 to 31st March 2027. Also, related to the update in section 2 of the paper, on the contribution structure, an outcome from the ongoing pay consultation is due on 2 July 2026. Finally, on the Matthew's second options, there is further progress in England and Wales which may have a consequential effect on whole-time-to-retained consecutive service. Whilst some of the current legislation is in place, there is an imminent employment tribunal scheduled.

5.9 (IC) thanked (JM) and asked (FM) to respond.

5.10 (FM) clarified (JM)s first point advising that because the 2020 valuation was late, the implementation period was as stated.

5.11 On the point made on the imminent pay award, (IC) noted that if a pay award is agreed soon, the associated legislation is unlikely to be in place until later in the year. As a result, any changes will need to be applied retrospectively. (AD) and (BB) were asked to explore options for how this change could be managed by SFRS. It was confirmed that any eventual adjustments would need to be retrospective. (IC) thanked (FM) for the update and moved to the next agenda item.

6. Projects Update

6.1 (JG) summarised previous updates on the Matthews Second Options exercise and advised that work is continuing with the automation team, passing the hyper-care period, which looks at testing, defining what is visually user friendly and provides accurate calculations in terms of information that firefighters will receive.

6.2 (JG) An update was provided on member engagement, noting that 1,570 members have engaged with the Matthews Second Options process to date under the current legislative arrangements. It is anticipated that further expressions of interest will be received once letters are issued and firefighters discuss the matter with colleagues. Updating on calculations, it was reported that initial "happy path" cases involving members in the Modified Retained Scheme have been submitted to Government Actuary's Department (GAD) for manual calculation under the agreed process. It was

noted that some cases are more complex, involving members requesting multiple actions or conversion of scheme service.

6.3 (JG) confirmed the main challenge of the project had been data gathering especially for moving through automation steps. Resource levels had also been challenging however it is still anticipated that the statements will be issued to deadlines.

6.4 (AD) acknowledged the level of effort and commitment that SPPA have made to this area of work and it would be good to get all statements out by July 2026, however it is appreciated that this is a complex piece of work.

7. SCAPE Announcement

7.1 (IC) introduced the agenda item which relates to the recent HM Treasury implemented change to the Superannuation Contributions Adjusted for Past Experience (SCAPE) rate which has resulted in a review of actuarial factors for public service pensions.

7.2 (AD) noted that when the SCAPE rate increased commutation lump sum factors reduced, resulting in people receiving less than anticipated with their lump sum. (AD) asked if SPPA had any feedback from members in respect of this change or was it just accepted.

7.3 (FM) noted that in terms of the impact on SPPA, it was an administrative impact as they had to mobilise quickly to update their processes and to update systems, to get the commutation factors into the calculation process. Communications were also actioned to ensure affected members were contacted as soon as possible.

7.4 (GM) noted that this issue had been discussed at the recent English SAB meeting, where there was broad agreement that the overall experience had been negative. The English SAB has written to the Ministry

of Housing, Communities and Local Government to express concerns about the unexpected nature of the changes. The correspondence also highlighted the need to explore options to mitigate the impact in future, including providing advance notice of changes or introducing a mechanism to honour previously issued quotations for a defined period, such as for three months.

7.5 (IC) asked if the SAB wished to explore this issue further? The SAB agreed.

7.6 (IC) noted the paper would be circulated as an action point, highlighting that future factor reviews may affect a range of scheme factors, not just commutation factors, and that any potential changes would need to be considered in the wider context of the scheme. It was agreed to take an action to explore potential options and report back to the next Advisory Board meeting in September. **Action 128 Opened**

8. Participation Rates

8.1 (KG) summarised the paper and invited questions from the SAB.

8.2 (JM) thanked Karen and noted the benefits of receiving this paper.

8.3 (BB) noted that while opt-out levels remain low, opting out is a significant personal decision with potentially long-term consequences. It was suggested that consideration be given to whether sufficient mechanisms are in place within SFRS and SPPA to support meaningful discussions with members who are considering opting out, particularly where decisions may be driven by short-term financial pressures.

8.4 (JM) acknowledged that, while opting out remains an individual decision, there may be scope to provide additional pensions guidance and support for members considering this option. Members agreed this was a legitimate issue worthy of further exploration with SFRS.

8.5 (AD) noted the decision is personal and SFRS giving financial advice would not be appropriate. (AD) also highlighted the benefits of auto-enrolment.

8.6 (BB) added that SFRS clearly does have a responsibility for the welfare of staff and that he was content to have the conversation off table.

8.7 (JM) noted these considerations could be taken forward outside of the SAB.

8.8 (IC) noted that the (already established) communications subgroup could support this area of work.

8.9 (DS) provided reassurance that the funding arrangements for police and fire pensions have changed, with the pension top-up element moving from the Scottish Government's DEL budget to AME. It was emphasised that this change has no impact on scheme members or pension funding, and that Scottish Government remains fully committed to funding police and fire pensions.

8.10 (IC) noted that when progress was made in this area the SAB will be duly notified.

AOB

9.1 (IC) provided a brief update on the McCloud-related Employment Tribunal litigation. A further progress update will be provided at the next Board meeting.

9.2 (IC) thanked everyone for their attendance and confirmed the date of the next meeting as 24th of September 2026.

Scottish Firefighters' Pension Scheme Advisory Board

Action Ref.	Action	Action Owner	Latest position	Action status
111	SPPA to provide update on potential additional costs relating to Matthew's elections starting to be received.	SPPA	Jason to provide further update once project delivery begins.	Carried Forward
118	SPPA to update data relating to MSS to include proportion of scheme member base registered for MSS and share with SAB	SPPA	SPPA will update the presentation slides to include data on the proportion of the overall membership base registered for MSS (now Engage) and circulate to the SAB.	Closed 1/7/2026 To become a standing agenda item.
121	SAB to revisit gender pensions gap issue / assumptions at second meeting of 2026 once sufficient data available from 2024 GAD valuation	SPPA / GAD / SAB	Scheme Valuations – As data collection for the 2024 valuations is ongoing, the Chair noted at the last meeting, the issue should be revisited later in the year once sufficient data had been collected.	Carried Forward To September Meeting

122	(JM), FBU, referred to figures in the weekly dashboard. (FM), SPPA, agreed to seek a more detailed breakdown and provide this.	SPPA	More detailed breakdown required of pension dashboard for contingent decisions.	Closed 1/7/2026
123	(JM), FBU, welcomed the progress made over recent months and indicated it would be helpful for further detail to be provided on the deferred aspect, including where SPPA considers this cohort to fit within the overall process and indicative timelines.	SPPA	More information required on deferred members	Closed 1/7/2026
124	(JM), FBU, enquired, once the stage of issuing letters is reached, could a sample range be shared with names redacted to provide a reference point.	SPPA	Redacted selection of Matthews letters to be issued to board.	Closed 1/7/2026
125	(JM), FBU advised the monthly updates were welcomed, and it was suggested that these reports could be enhanced by including a little more detail on progress, key milestones, and any projected timelines where available.	SPPA	More detail required on the monthly updates	Action opened 1/7/2026

126	It was noted that the project puts together burndown charts for each cohort which gives estimated time scales for completion.	SPPA	Sharing of information available on burndown charts along with dashboard information.	Action Opened 1/7/2026
127	It was agreed that the SAB may benefit from a quarterly update from the comms sub working group.	SPPA	(IC) to liaise with Lorraine Spalding regarding a possible quarterly comms update for the SAB.	Action Opened 1/7/2026
128	To explore potential actions around any future SCAPE changes	SPPA	Paper to be prepared and circulated to SAB for discussion	Action opened 1/7/2026