Attendees:

Stuart Purdy (SP)	Chair
Jennifer Adams (JA)	Vice Chair
Sharon Dalli (SD)	Pension Board Member
David Hamilton (DH)	Pension Board Member
Andrew Barker (AB)	Pension Board Member
David Christie (DC)	Pension Board Member
Penelope Cooper (PC)	SPPA Chief Executive
Carole Johnston (CJ)	SPPA Interim Head of Customer Services
Gerry McGarry (GMcG)	Customer Services Manager
Donald Forbes (DF)	SPPA Senior Customer Services Manager
Viv Purves (VP)	SPPA Senior Customer Services Manager (item 6)
Brian Casson (BC)	SPPA Senior Customer Services Manager (item 7)
Molly Wyllie (MW)	SPPA Governance - minutes

Apologies:

John McLean	Pension Board Member
David Ross	Pension Board Member

1. Welcome, introductions and declarations of interest

1.1 SP welcomed everyone to the meeting. Apologies as noted above.

1.2 No conflicts of interest declared.

2a. Draft minutes and Action Points from last meeting

The minutes from the meeting of 21 February 2019 were reviewed and adopted taking account of two amendments:
- Action Point 8 to be amended to read – SPPA to provide an update report regarding measures taken to ensure accuracy of Annual Allowance statements relating to Chief Officers
- Action Point 9 to be amended to read – SPPA to provide figures of manual Annual Allowance calculations undertaken and the number of cases amended

2b. Outstanding Actions Log

The outstanding actions were discussed and the following noted:

- P11.01 2/5/18 – action remains open

- P12.11 24/9/18 – action remains open (see also 13.06, 13.08, 14.02,14.05)
- P13.01 5/12/18 – KPI descriptors to be included in Service Delivery Report. Futher consideration to be given to reporting methods following SPPA restructure – action remains open
- P13.02 5/12/18 - an update regarding rectification of annual statements to be included in Scheme Administration paper – closed
- P13.03 5/12/18 – closed
- P13.04 5/12/18 – remains open
- P13.06 5/12/18 – action remains open (see also 13.08, 14.02,14.05)
- P13.08 5/12/18 - action remains open (see also 13.06, 14.02,14.05)
- P14.02 21/2/19 - action remains open (see also 13.06, 13.08,14.05)
- P14.03 21/2/19 – closed
- P14.04 21/2/19 – agreed that CE would provide an update – action closed
- P14.05 21/2/19 – action closed
- P14.06 21/2/19 – following discussion it was agreed that the issue of membership would be discussed at the Service Improvement Group and outcomes presented to the board. This would include reviewing leaver codes and reasons for leaving and improved communications related to the benefits of the scheme. In addition a further graphic would be provided on the Service Delivery Report to show membership movements from one quarter to the next – action closed.
- P14.07 21/2/19 – SD advised that work is underway regarding opt outs It was agreed that a focus is needed around member communications – remains open
- P14.08 21/2/19 – Service Improvement Group met on 10 May 2019 to review measures taken to ensure accuracy of AA statements – remains open
- P14.09 21/2/19 – action remains open
- P14.12, P14.13, P14.14 21/2/19 – actions closed

3. SPPA Update

3.1 PC advised that recruitment was underway for a number of senior positions within the SPPA now that the revised Target Operating Model had been approved. These included the Head of Customer Services, Head of Business Evolution and Head of Business Affairs and Head of Chief Executive Office. In addition, the recruitment for the Head of Communications and Governance was to be advertised shortly. It was anticipated that the senior team would be in place by the end of November 2019.

3.2 PC advised that a report was expected from the Auditor General Scotland related to the PS Pensions Project. This would be published in June 2019. The board would be kept up to date.

AP1	SPPA to update board on progress of Auditor General Report

3.3 PC advised that three new non-executive members had been appointed, one of whom was the Chair of the Audit and Risk Committee.

4. Police Service Delivery Report

CJ provided a summary of the performance dashboard. DH asked if the Government Actuaries Department had provided updated factors for the calculator and asked if the board would see the draft prior to publication.

AP2	SPPA to provide draft calculator to the board prior to publication on the website

5. Police Pension Scheme Administration Update

Annual Benefit Statements
CJ advised that the Project Initiation Document was in place for the 2019 exercise. Lessons learned and work undertaken for last year's exercise would help towards an improved result. DH raised concern related to accuracy of data. PC confirmed that the data used was that supplied by the employer with whom responsibility for the accuracy of the data sat. Employer returns for 2018-19 were due by 31 May 2019.

Annual Allowance (AA)
CJ advised that the AA project plan was also in place. SD advised that a meeting of the Service Improvement Group had taken place on 10 May 2019 which included discussion around communications for AA eg: the statement and letters to affected members. SPPA would now investigate how the system can facilitate improvements to the AA statements process and to reduce the number of manual calculations needed. There is also a need to ensure controls are in place around the manual calculations particularly as there is potential for the number of members affected by AA to increase. PC advised that she had met with the Chief Executive of the administration system supplier who is aware of this issue and had been asked to accelerate development in this area. Board members confirmed their willingness to assist if required and this offer was noted with thanks.

Annual Pension Increase
CJ confirmed that the annual increase exercise had been complete.

Service Improvement Group
CJ advised that a meeting of the group had taken place and as mentioned above, had focussed on AA. DF also advised that SPPA was receiving data from the employer to resolve the remaining tapering issues. An update would be provided at the next board meeting.

AP3	SPPA to update board on progress work to resolve tapering issues

Customer Contact Team (CCT)
CJ advised that the CCT are now dealing with NHS enquiries. A new member from the Police and Firefighters team would be joining CCT ahead of the transition to the final phase of the project which would include the CCT taking on the Police Scheme. CJ also advised that the CCT was included in the first transition phase towards the new structure under the Target Operating Model.

Guaranteed Minimum Pension (GMP)
VP advised that the team are working with ITM on responses received from HMRC in relation to GMP reconciliation. The latest information from HMRC advised that the final data cut would not be received until November/December 2019. A revised schedule was being prepared taking this into account. GM advised that communications had yet to be considered. SP thanked the GMP team for their work to date.

Website Project
CJ advised that the project was on track to launch on 10 June 2019.

Overpayments

CJ explained the figures provided in the report. SD asked if lessons learned could be used to reduce the occurrence of overpayments. GM confirmed that overpayments were a routine occurrence in both pension on divorce and death benefit cases. SD asked if text could be added to the table to explain pension sharing overpayments.

AP4	SPPA to add text to explain pension sharing on divorce overpayments

Risk Governance Group Minutes

JA commented that the minutes highlighted the great volume of work to be undertaken over the summer period and sought reassurance that the SPPA was able to cope with the volume. PC expressed the view that it would be challenging but should be doable. The work included the need to prepare for a new pension software procurement exercise. PC advised that the Agency would need to understand what the requirements would be and if it was available. Any procurement exercise would be agreed by the Management Advisory Board. PC confirmed that the current supplier would be in place until 2024 and that they were contracted to provide development work over that period. That way there was adequate time for a full procurement exercise to be undertaken.

6. SLA/SIG Update

PC advised that both the SLA and SIG take a strategic view and are making good progress. JA asked if the board could have sight of the reports from these groups. Following discussion it was agreed that the board would be provided with a short summary from the highlight report at future meetings.

AP5	SPPA to provide a short summary update to the board on the progress of the SIG and SLA groups

7. SPPA Altair Programme Update

JMcD advised that the server upgrade had not taken place for NHS and Teachers' at the appointed time and a new date would be discussed. Police and Firefighters were already on the payroll system and the SPPA is working to provide BACS payments for Police and Firefighters.

A demonstration of the proposed Member Self Service portal was provided to the board. DH asked if the security questions and levels were sufficient and if the portal was available on mobile platforms. It was explained that there are 22 standards of security that the supplier must meet. The portal will be available on mobile devices. DH asked if members could update bank details securely. JMcL confirmed that this was available and that authorisation for any changes was required from a SPPA team leader. Following discussion it was agreed that the Project Risk Register be provided to the board.

AP6	SPPA to provide a copy of the Altair Programme Risk Register to the board

8. Risk Register

GM advised that for Risk 1 (the ability to handle large and/or sudden future business change without detriment to service delivery) the rating was now black. This took

account of the McCloud/Sargeant appeal outcome. GMcG advised that the restructure under the Target Operating Model would allow additional resourcing flexibility, however, until the appeal decision is published, the full impact is not known. It was noted that the rating would not be black had it not been for the McCloud/Sargeant case.

SD suggested the wording in Risk 7 action AP1 should be amended to reflect the fact that the Altair Improvement Project will not be providing improved system functionality for the Police scheme by 31 July 2019.

AP7	SPPA to update risk 7 action AP1 to reflect that the Altair Improvement Project will not provide improved system functionality for the Police scheme by 31 July 2019

DH asked, in relation to Risk 9, if the Agency used data scoring. GM advised that the data team review for quality on an ongoing basis and worked with the Police Employer Technical Forum (PETF) on data quality assurance. SD confirmed that data cleanse work undertaken between Police Scotland and SPPA is part of the work of the PETF.

JA suggested that Risk 5 and Risk 12 actions should be amended to show as complete and GM undertook to look at these.

AP8	SPPA to update the risk register, risks 5 and 12 actions to show as complete

9. Head of Security Annual Report

JS provided the highlights of the report. There had been two data breaches during the period which had tested the breach process. JS assured the board that the policy had worked and actions had been put in place quickly with good support provided by Police Scotland. No further actions were recommended by the Information Commissioner. Given the sector of employment, the need for particular security around the personal data of members of the Police Scheme was noted.

SD asked about section 5 of the report related to Data Sharing Agreements and it was confirmed that a Data Sharing Agreement with Police Scotland was still to be finalised. JS confirmed that there are a large number of agreements to set up across all schemes administered and that work continues to ensure these are in place for smaller employers.

10. Customer Interaction and Feedback Report

GM advised that the Service Improvement Group (SIG) already has the complaints process noted for consideration as part of the work that is to be undertaken, however, in this annual review paper, Police figures represent 6% of all complaints recorded across all schemes. It was noted that the new one stage IDRP is working well in practice. It was also noted that 20 compliments had been received during the year.

GM advised that the customer survey would also be discussed with SIG in an effort to improve engagement.

AB suggested that a more condensed version of the report would be more appropriate, taking account of the small numbers involved.

AP9	SPPA to consider condensing the Customer Interaction and Feedback Report

11. CEM Benchmarking

PC advised the board that the Agency had taken part in the benchmarking exercise for 10 years and that most of the improvements that had come from the analysis were in place. It may be that more personalised and specific areas would be considered for future benchmarking and that the Management Advisory Board had already offered help in this area.

12. Pension Regulator Code of Practice Assessment Q3

PC advised that the report was an assessment of where the Agency stands against the requirements of the Pension Regulator's Code of Practice. The board had felt that the report was not easily understood. Following discussion it was agreed that further information was required for the board to understand the structure and impact of the report.

AP10	SPPA to provide more information about the Assessment Report and a key to the figures provided

13. Annual Appraisals

SP advised board members that individual annual appraisals would be undertaken and asked if the Governance team would issue him with the template to be used.

AP11	SPPA to issue Annual Appraisal template to the Chair

14. Training

SP suggested that there is a requirement for the Agency to provide a training plan. It was also suggested that all boards combine on key areas. SP asked JA to co-ordinate with SPPA regarding training and continuous personal development and JA was happy to do so.

AP12	SPPA to liaise with JA to discuss training and development requirements

15. Governance Sub Group

SP suggested that the new Governance Manager would be best placed to take this forward and that it was not the role of the board to be involved in operational issues. AB suggested that it may be more beneficial to expand the groups already in place. DH felt that the concern would be a lack of visibility for the pension board about what these groups are doing. GM confirmed that the Governance Manager would be asked to review the Terms of Reference for all of the groups to ensure uniformity, consistency and remit.

16. Police Board Governance Update

JA advised that the Governance paper had been updated following the last meeting. The update was noted and there were no changes needed.

17. Any Other Competent Business

17.1 The board raised concern over the length of time it was taking to conclude the recruitment process of key senior SPPA roles. As explained earlier in the meeting, PC advised that a budget existed for the new roles, however, the posts have yet to be filled.

17.2 SP advised that he had recently attended the Retire Police Officers Association Scotland Conference. He had noted a very positive response from attendees regarding SPPA.

17.3 SP asked that board papers be published one week prior to the meeting and that these be on one combined PDF document within Knowledge Hub. In addition, it was felt that it would be helpful to have a dedicated Police Board section of the Knowledge Hub.

| AP13 | SPPA to publish board papers one week prior to the meeting and provide these in a combined PDF document |
| AP14 | SPPA to investigate providing a dedicated Police Board section on Knowledge Hub |

18. Arrangements for Future Meetings

The next meeting has been moved to 17 September 2019 at Tweedbank. A meeting has been scheduled for 13 November 2019.

No other business was raised. SP thanked everyone for their attendance and closed the meeting.