



Minutes – Scottish Police Pension Board – 5 December 2018

Attendees:

Stuart Purdy (SP)	Chair
Jennifer Adams (JA)	Vice Chair
David Christie (DC)	Pension Board Member
John McLean (JMcL)	Pension Board Member
David Hamilton (DH)	Pension Board Member
Andrew Barker (AB)	Pension Board Member
Penelope Cooper (PC)	SPPA Chief Executive
Gerry McGarry (GMcG)	SPPA Deputy Head of Customer Services
Donald Forbes (DF)	SPPA Senior Customer Service Manager
Viv Purves (VP)	SPPA Senior Project Manager (Agenda item 4.6)
Iain Coltman (IC)	SPPA Senior Policy Manager (Agenda item 7)
Sarah Butler (SB)	SPPA Senior Customer Service Manager (Agenda item 8)
Ian Waugh (IW)	SPPA Chief Financial Officer (Agenda item 10)
Janet McDougall (JMcD)	SPPA Altair Project Manager (item 6)
Lorraine Gallagher	SPPA Policy Manager - minutes

Apologies:

Sharon Dalli	Pension Board Member
David Ross	Pension Board Member

1. Welcome, introductions and declarations of interest

The Chair welcomed members and noted apologies.

No conflicts of interest declared.

2. Draft minutes and Action Points from last meeting

2a. *Draft minutes*

The Board reviewed the minutes from the meeting on 24 September 2018.

The minutes were adopted as an accurate record of the meeting.

2b. *Outstanding Actions Log*

P11.01	Update from GMcG who said that when the Police scheme join the CCT there will be improved email blending functionality which will provide enhanced reporting facilities. Remained open for update in Q4. Open.
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P11.07	JI said that there had been some feedback from SD. The new SLA/SIG/PETF framework would inform the Pension Board Terms of Reference (ToR) and that a further refresh was to follow. Updated ToR to be circulated Q3 to Board for discussion at the next meeting. Remained open for update in Q4. Open.
P12.02	<p>Customer Services to revise the Service Delivery Report CCT Customer stats section, particularly the telephone system element to reflect what scheme members were calling about.</p> <p>It was confirmed that this facility will be available when the CCT becomes responsible for the calls of the Police scheme membership. However DF shared information which highlights early indications of reasons for calls as follows:</p> <ol style="list-style-type: none"> 1. Annual Benefit Statements (ABS) 2. Routine award queries, eg; had SPPA received all required documentation 3. Payroll queries from members over the age of 55 4. Death – payment of widows/ers and dependants benefits <p>DF also advised that there is an activity code available for the call operator to populate at the end of each call, however, this is only available for 30 seconds.</p> <p>DH noted that the data was informative and could be used to further assist members, providing useful information eg: in relation to expectations of routine awards.</p> <p>JM asked if the data relating to the number of ABS calls could be compared to the information held for the same quarter in the previous year. SPPA to provide ABS call data from previous year.</p>
P12.03	PC to ensure that the paper on Annual Allowance and scheme changes would be circulated to pension board when available. The paper is now expected to be circulated next week – Action Open
P12.04	AB to send the AA summary produced by the staff association for information to SPPA. This information was provided – Action Closed
P12.05	JA requested to have a copy of the SPPA Breach Policy to explain how the Agency deals with data breaches. JI to send copy to JA GMcG passed a paper to JA for her information – Action Closed
P12.06	SD to send a copy of the SLA to DH – Action Closed
P12.08	PC to provide a further update at the next PB regarding TOM – Presented at Agenda item 4.11 – Action Closed
P12.09	SPPA to provide PBs with input and updates from the web refresh project customer panels. Paper to be provided by SPPA. Paper to be circulated by SPPA – Open
P12.10	JA would liaise with board members to get their feedback and refresh the table of pension board responsibilities for the next meeting. Paper was circulated – Action Closed
P12.11	Standing Agenda items have to be reviewed along with updating the training plan. SPPA to review agenda and training plan with the support of the Board - Open
P12.12	Paper circulated – Action Closed

3. Police Service Delivery Report

3.1 The Police Service Delivery Report was discussed and it was highlighted that it is essential to gather as many members email addresses as possible. PC confirmed that this would be of benefit with the introduction of the Member Self Service.

3.2 It was noted that the KPI for Transfer In had reached target and reference was made to the success of the efforts by SPPA to update the transfer pack.

3.3 DF noted that private companies will not deal directly with SPPA regarding sharing of transfer information and JA advised that there had previously been a legal review of what information was mandatory for private companies to supply. This is the standard approach that private companies follow.

3.4 The Board reviewed the overall performance from the report and DH asked if there was an appetite to review any of the targets, perhaps changing parameters of measurements reported.

GMcG responded that SPPA can review the information supplied in the report to ensure that it provides Board members with relevant details. AB offered that he was aware of the significant work required to be done to collate and present this information, suggesting that some of what was presented, and may be of less interest to the Board, could be highlighted by exception only, allowing a greater focus on information that the Board might more usefully contribute to. DF noted that a number of targets had been amended during the annual review of the SLA.

AP1	SPPA to review information supplied in the Service Delivery Report to be more focused and relevant	SPPA
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3.5 The efforts of the staff to improve the ABS target was noted and PC advised that SPPA have received notes of thanks directly from members.

4. Police Pension Scheme Administration Update

4.1 Annual Benefit Statements

DH asked SPPA if the issue highlighted at the meeting in August regarding errors in tapering dates for certain members had been addressed. DF responded, advising that SPPA had been working with Heywood to introduce software in the Altair 9 delivery with the intention being that this would allow the identification of all affected members. Unfortunately the software update has not been successful and SPPA continue to work with colleagues from Heywood and PSoS staff at Fettes to ensure that all members have been accurately identified.

DH raised concern that SPPA were aware of the members who would be affected since the August meeting and no contact had been initiated. He asked if there was a possibility that a holding letter could be issued to the 68 identified members. DH also noted that although it is important to achieve targets for issuing statements to, is also imperative that the information provided to the member is accurate.

DF responded to the suggestion of sending letters and due to differing scenarios and implications for members this would have to be fully considered.

From the information available 21 members will be adversely affected due to an underpayment of contributions and any changes to contributions would need to be implemented by the Payroll Department.

PC highlighted that the use of 'i-Connect', relating to monthly reconciliation of data, will assist with various issues going forward.

DH asked the group for a commitment that this issue would be addressed by the end of the year. JMCL asked that the group be provided with a timeline for rectification to reduce member concern. This point was agreed by GMcG and he advised that the issue would be discussed with PSOs.

AP2	SPPA to provide a timeline for rectification of annual statements and discuss with PSOs	SPPA
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DC asked if there was an estimate of the financial impact to members in regards to this issue and DF commented that this would be less than 10 thousand pounds in total, however there would be implications for member's future benefits.

PC noted that when members were advised of their correct position in the scheme this may lead to altered retirement expectations, concluding that this would be a complex message to deliver.

4.2 Annual Allowance

GMcG talked through the details highlighting that combined statements had successfully been issued this year for the first time. With regards to the 25 members who did not receive their information by the regulated deadline, rather than statements were issued 9 days later, GMcG confirmed that SPPA have since been in communications with HMRC to ensure we comply with any reporting requirements, as there is no clear guidance available on what requires to be done in this situation.

DH noted that this area of work would benefit from the input of the SIG which would provide an appropriate forum to discuss improvement of processing. DH also asked if there were any strategic ideas to link up events with HMRC. It was concluded that the most suitable forum would be MOCOP.

It was also noted that staff associations run seminars which highlight the implication of AA on promotion. SPPA acknowledged that more work would be required in this area.

PC commented that the restructuring programme should free up SPPA resource to be able to assist with the cascading of this information.

4.3 Service Improvement Group

The above group met in August and have established themes of interest and intend to run workshops to assist with problem identification and the application of solutions. It was also agreed that relevant experts from various areas would need to be identified and roles established.

4.4 Customer Contact Team

GMcG talked through this item confirming that the CCT has proven successful thus far and had answered the Police scheme ABS and AA calls. There was also an improvement in the level of email responses issued by the team. Phase 4 for the Police scheme will be introduced in March 2019.

4.5 Single Event Survey

During discussion the board were encouraged to suggest any ideas about how to drive surveys, supporting the accurate collation of information which would be useful to the Agency. Although surveys were acknowledged as being an effective way of gathering member feedback, it was recognised that alternative methods for gathering feedback should be investigated.

PC noted that on the subject of how SPPA dealt with sensitive issues concerning death, this should be addressed on a personal basis.

AP3	Board to provide suggestions for single surveys and also other ways of gathering feedback	Board
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4.6 GMP

VP talked through the GMP paper noting the efforts of the contractors, ITM, to meet the deadline of 31 October for passing enquiries to HMRC. Unfortunately the expected waiting time for HMRC to deal with issues is now 5 months. VP also noted that the shared HMRC workspace, which is used by SPPA, had crashed and hindered progress. Approximately 700 police cases had been identified from across various legacy payroll areas where pre and post 88 GMP were erroneously recorder. It appears that the GMP's originally in payment had been correct, however had become corrupted in 2014. The SPPA GMP team are creating a calculator to offer rectification of incorrect data. HMRC have confirmed that they had expected to be dealing with approximately 100 files of data per day, however this had increased peaking at 1119 files on 31st October 2018. HM Treasury continue to support scheme positions ensuring HMRC are dealing with this issue in a correct and timely manner.

DH noted that communications were currently quiet surrounding this area and asked if a holding position could be established to reassure members of the situation.

GMcG responded noting that the position of all schemes were not identical and the GMP issues will affect Teachers and NHS scheme's differently, therefore various communications would be required.

4.7 Lloyds Guaranteed Minimum Pensions (GMP) High Court case

GMcG asked for any questions in relation to this matter to be emailed to himself and he would direct to the Policy department for response.

4.8 Scheme Returns

GMcG talked through the paper inviting any questions

4.9 SPPA Website Project

SPPA provided a brief update highlighting the appointment of a new project manager.

4.10 Overpayments

The item was discussed and agreed that a cross scheme approach to overpayments would assist with highlighting any common issues.

4.11 Target Operating Model (TOM) update

PC provided the group with an update on the TOM project advising that Customer Service staff will be in there roles by Easter 2019. There would be 3 areas of responsibility when addressing the streamlining of job descriptions and these would be

- Casework

- Customer contact
- Relationship management

Over time SPPA will ensure the continuous improvement of services, focus on stakeholders needs going forward.

5. SLA Update

5.1 JMcL highlighted the importance of the focus on the partnership agreement between all parties concerned. He noted that the partnership potentially offered good channels of communication and should be monitored to ensure the SLA and Service Improvement Group are operating effectively.

6. SPPA Altair Programme Update

6.1 JMcD provided an update on the programme and noted that from a Police scheme perspective a MSS portal will be introduced which would allow members access to online information such as viewing ABS, P60's and payslips. JMcD confirmed that security checking and cyber penetration testing was on-going, as were processes for mitigating risks and errors prior to go-live.

It was established that if members used the new MSS they would be agreeing to no longer receiving paper communications and would view all on line. PC and JMcD noted how the introduction of this new service would link with the launch of the new website.

JMcD also offered an outline of the new i-Connect portal which is a new on-line service for employers. This should improve the speed and accuracy of data feeds from employers so members will receive a higher quality of service.

AP4	SPPA to provide and outline of the i-Connect portal	SPPA
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7. Police Participation Rates

7.1 IC introduced the paper and discussion followed. The Paper records scheme participation since 2015 and it was noted that there has been a steady decline in active officers with scheme membership over the 3 year period, from around 93% to 88.5% of all officers. The last two quarters have remained consistent. Geographical differences were also noted. An area highlighted was the level of opt outs for new recruits, noting that 10% are leaving the force within their probation period and therefore this may skew the figures. Anecdotal evidence also suggested the recent pay increase for officers had led to an increase in officers rejoining the scheme. IC confirmed that until recently the number of officers rejoining had been negligible but subsequent papers include this information. The impact of the reallocation of resources from the Strathclyde area was also discussed as were surges in levels for local areas.

DH noted that he thinks the opt out category options could be clearer. IC confirmed categories were long-established but any suggested improvements would be incorporated into the data gathering, which would require changes to the opt out forms.

JMcL advised that staff associations were looking into force deployment policies. It was agreed that this information was well accepted and useful for the Scottish Government and further on-going discussion was required to better communicate the benefits of the scheme.

8. Customer Interaction and Feedback Report

8.1 SB talked through the report noting that no trends had been recognized for complaints and also explained the IDRP reporting mechanism going forward to include the single stage process.

SB explained how the customer survey has progressed and they had added to the table by reporting on participants who had not answered certain questions. DF asked if there is any output for the participants. SB confirmed that there are on-going discussions with the communications team to establish how best to use the information.

8.2 SB talked through The Public Service Governance Survey (Paper 9) and requested that any feedback should be passed to her by the end of this week, allowing her to amend the paper accordingly and recirculate electronically. The Survey responses were established as being a factual/prescribed paper and any comments were invited.

9. Pension Board Annual Report

9.1 The board was asked to read and consider the Annual Report, which includes prescribed lists and facts. The report was also available to view on-line to comply with governance responsibilities. Feedback on the presentation and content were requested.

AP5	Board to provide feedback on presentation and content of the Pension Board Annual Report	Board
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10. Police Risk Register

10.1 IW introduced the paper and highlighted that risks 14 and 15 had met their residual target. IW noted that projects v's resources in SPPA continued to pose a risk. A meeting has been arranged for next week which will incorporate discussions on recent events, eg fraud process and procedures. Brexit will also be discussed at the meeting, it was however noted that SPPA had already considered factors such as paying retired members through the world pay function who reside abroad and the impact of discount rates being linked to liabilities.

11. Pension Board Role and Responsibilities

11.1 JA talked through the template noting it had been tailored to incorporate suggestions from the Service Improvement Board. JA welcomed suggestions and comments.

After further discussion the Board concluded that they should take further responsibility for planning the Agenda, establishing a working document, reflecting priorities for reporting. It was also agreed that the Board should establish what papers were required to ensure they meet the needs of discussions surrounding current events and issues.

AP6	Board to consider agenda planning and what reports they require to cover current events and issues	Board
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11.2 JMcL commented on how the SLA and SIG group operate and noted that clear lines of communication through SPPA had been established. The Board suggested that the relationship and obligations of the two parties need to be considered and wished that an item be added to the next meeting Agenda to discuss the matter further, as any decisions reached may affect other areas of the Boards work, such as the training plan.

AP7	Add additional item to next meeting Agenda regarding role of SLA and SIG	SPPA
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12. Police Pension Board Annual Work and Training Plan

12.1 The above training plan was discussed and thoughts are invited to ensure the plan is fit for purpose going forward.

AP8	Board to provide feedback and suggestions regarding the training plan	Board
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13. Any Other Competent Business

13.1 No other business was raised.

14. Arrangements for future meetings

14.1 The next scheduled meeting is 21 February 2019.