



Attendees:

George Brechin (GB)	Chair
Ray Martin (RM)	Vice Chair
Peter Smith (PS)	Board member
Drew Morrice (DM)	Board member
Kathy Cameron (KC)	Board member
John Crichton (JC)	Board member
Cllr Charles Buchan (CB)	Board member
Brian Cookson (BC)	Board member
Leah Franchetti (LF)	Board member
Sharon McKenzie (SMcK)	Board member
Penelope Cooper (PC)	SPPA Chief Executive
Gerry McGarry (GMcG)	SPPA Assistant Head of Customer Services
Lorimer Mackenzie (LM)	SPPA Head of Policy
Molly Wyllie (MW)	SPPA Governance - minutes

Apologies:

Cllr David Illingworth	Board member
David McGinty	Board member

1. Welcome, introductions and conflicts of interest

GB welcomed everyone to the meeting. Apologies were as noted above. No conflicts of interest declared.

2. Board Changes

GB introduced Cllr Charles Buchan to the board. No other changes noted.

3a, Draft minutes from meeting of 27 November 2018

BC asked that paragraph 9, second sentence, be amended to read 'BC stated that there was concern as to how the increase in contribution rates falling to employers, would be handled by them.'

No other changes noted. Minutes adopted.

3b. Action Points

The board reviewed the outstanding actions and the following was noted:

- T8.11 - LM advised that the Scheme Advisory Board have agreed terms and these have been referred to HM Treasury. GW (GB?) asked if the Board could be updated at the next meeting of any progress – **action remains open**

- T9.12 – LM advised that the process was working well in the main, with attention being focussed on ensuring members' provided sufficient medical evidence as early in the application process as possible. Following discussion it was agreed that obtaining feedback from members was valuable, however, in these cases the outcome could be an emotive factor and not necessarily related to the procedure
- T12.04 – **action remains open**
- T13.02 – a demonstration of the Member Self Service portal to be provided at next meeting – **action remains open**
- T14.02 – covered in the update paper appendix C – **action closed**
- T14.04 – agenda item 9 – **action closed**

4. Annual Benefit Statements Update

GMcG advised that planning for this year's upcoming exercise was now under way. An update was included in the update paper at item 7.

5. Altair Programme Update

PC explained that the Project consists of three main streams – Improvement, Payroll integration and Member Self Service/I-Connect portals. The Project should result in less manual intervention, improved calculations, member access and employer data to monthly returns. The recent Health Check had been very positive.

PC confirmed that the Project is on track. A programme of work with employers would be required to assist them with changes. Payroll integration was progressing well. The intention is to run the current system in parallel with the new system for a period to ensure accuracy. Training for staff would also be a factor.

SMcK asked about the interruption of service noted in paragraph 5 of the paper. PC advised that the prediction to move to the latest system had been three days, but in fact the exercise had taken less than a day to complete. KC asked about engagement with employers and if this would include Local Government. PC advised that as mentioned, a plan would be in place to work with employers and that going forward the new Target Operating Model included a 'partnership' role.

KC asked if only payroll managers were involved in the Technical Working Group as there may be a need to have a broader input, for example HR Heads. GMcG said SPPA understood the need to ensure engagement at the right level with employers, but confirmed that Local Government employers already use I-Connect and they would be encouraged to demonstrate this to other employers.

5. Teachers' Dashboard

GW (GB?) asked if the new payments accuracy noted in the update paper reflected figures prior to payment being made and whether a larger sample was required. GMcG confirmed that the figure shown was a pre-payment check.

CB asked about email response within 24 hours, where the KPI was not met. GMcG advised that this included emails received at weekends. A technical resolution to allow for weekends was being developed.

BC raised a question regarding membership figures provided and a better understanding of the 'difference' between March 2017 and March 2018. Following discussion it was agreed that further details would be provided at the next meeting.

AP1	SPPA to provide further details related to membership figures for next meeting
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7. SPPA Update

Annual Benefit Statements (ABS) and Annual Allowance (AA)

GMcG advised that both of these exercises were being project managed and that enhancements were planned for the system. In addition, further employer engagement was planned for 7 March 2019. KC asked that, as mentioned earlier, the appropriate senior employer contacts are involved. It was agreed that an invitation would be sent to KC and SMcK to forward to appropriate employer contacts.

AP2	SPPA to issue invitation to KC and SMcK for the next meeting on 7 March 2019. This to be forwarded to appropriate employer contacts
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Guaranteed Minimum Pension (GMP)

RM asked if there were any other cases which would remain unreconciled after the completion of the project. GMcG advised that SPPA relied on the service provider to raise queries with HMRC directly, with the intention that as many cases as possible will be resolved. It is foreseen however that there will be residual casework to be done after the completion of this exercise. Additional staff were now involved in the project. It would not be clear what further work was required until after the final data cut was received from HMRC in April 2019.

Teachers' Pay Increase

GMcG advised the Board that there would be a number of areas of impact of the proposed pay increase. This included changes to annual returns if arrears are paid, impact of annual statements, estimate, pension revisions and refunds. Following discussion it was agreed that the Board were satisfied that a further ABS run was not required and that statements would be amended in next year's exercise. In the meantime, if members contacted the Agency for an updated statement, this would be issued.

Employer Charter

PS noted that the Employer Charter had been deferred and asked when it would be implemented. PC advised that with the implementation of the Target Operating Model, further discussion with employers would be necessary to progress this further. GW (GB?) asked if the Board could be kept updated and have sight of the revised format to provide comment.

AP3	SPPA to provide updated information related to changes made to the Employer Charter and to allow time for the Board to make comments
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Website Refresh

GMcG advised that there were 21 members of the customer panel; 7 members and 14 employer representatives. An invitation was offered to anyone else who would like to take part in the customer panel.

8. Risk Register

GMcG advised that the register is reviewed regularly and changes were noted in red. No comments were raised.

9. Scheme Valuation Update

LM advised that HM Treasury had sought leave to appeal the challenge to Transitional Protections. A working group were currently looking at the impact, however, it was likely that protections would remain for a period. Employer contributions changes would be implemented from 1 April 2019. The Teachers' Scheme Advisory Board (SAB) had worked hard on the valuations, but this was now 'paused'. LM confirmed that at the moment, it was not clear how this would be resolved. BC commented that there were implications for communications and asked what was planned. LM advised that the Agency is aware of the challenges related to communication and that discussion would take place with the SAB to ensure consistency across schemes. BC requested that the Board have early sight of the proposed communications not necessarily waiting until the Board's next meeting.

AP4	SPPA to provide the Board with sight of communications related to the outcome of the appeal
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10. Work and Training Plan

PC advised that interviews would take place in March for the new Head of Governance. The proposal is that the Head of Governance will review the arrangements for work and training once appointed. In the meantime, it was agreed that a link to the Pension Regulator Toolkit would be issued to board members.

AP5	SPPA to issue link to the Pension Regulators' Toolkit to board members
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11. Pension Board Responsibilities Update

GW (GB?) advised, with thanks to RM, that the paper had been updated. No comments were made.

12a. Liaison with Pension Regulator, SAB minutes etc

GW (GB?) asked if SAB minutes could be circulated when available.

AP6	SPPA to circulate SAB minutes to the Board when available
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12b. Any Other Competent Business

12b.1 Pension Board Effectiveness Review

GW (GB?) advised that a short survey had been created to capture opinion on the board's effectiveness. Following discussion it was agreed that the survey would be distributed to all board members for completion and return to the Governance Team by 27 March 2019.

AP7	SPPA to issue Board Effectiveness Review Survey to board members for completion and return by 27 March 2019
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12b.2 PC advised the board she had been in touch with CivTech. CivTech to work with companies to provide solutions with problem areas of their business. It is proposed that the issue of keeping in touch with deferred members be referred to CivTech to provide a solution. PC asked if anyone would like to be involved. RM offered his assistance.

13. Arrangements for Future Meetings

Meetings have been arranged at Tweedbank as follows:

- 29 May 2019
- 28 August 2019
- 27 November 2019