

**MINUTES OF MEETING OF THE SPPA MANAGEMENT ADVISORY BOARD
FRIDAY 1 February 2019**

Present:

Gillian Thompson (GT)	Non-Executive Chair
Stuart Smith (SS)	Non-Executive Member, Chair of ARC
Ian Forbes (IF)	Non-Executive Member
Liz Holmes (LH)	Non-Executive Member
Jane Malcolm(JM)	Non-Executive Member
Gordon Wales (GW)	Scottish Government, Chief Financial Officer (Fraser Figure)
Penelope Cooper (PC)	SPPA Chief Executive
Jane Murray(JMu)	SPPA Finance Controller (for item 6)
Deborah Sherlock	SPPA Governance (Minutes)
Fiona Lombard	SPPA Chief Executive's Assistant

Apologies:

Sheena Cowan(SC)	Non-Executive Member
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1. Welcome and Introduction

1a) Apologies had been received from Sheena Cowan.

1b) There were no declarations of interest.

2. Any other business

2.1 GT advised that the Non-Executive Members had met on 14 January and discussed a number of challenges facing SPPA going forward.

2.2 GT raised concerns regarding a number of issues in relation to the governance of the Agency and the MAB. The discussion had highlighted members concerns about the various risks being carried by SPPA. IF suggested that the principals of the ARC governance should be applied to MAB. PC Confirmed that recruitment for Head of Governance was underway. IF suggested that additional meetings between Non-Executive Members and Chief Executive would provide additional support.

2.3 GT asked that the Board's disappointment that the annual pension board conference had been cancelled be recorded.

3. Minutes from previous meeting

3.1 The minutes of the meeting held on 21 September 2018 were adopted by the board without changes.

4. Outstanding Actions

All outstanding actions from previous MAB meetings were reviewed and changes noted below in bold:

No	Para	Action point	Action Officer	Due date	Status
MAB 3 23/7/18	3.1	Jl to ensure that Purpose and Executive Summary are added to MAB submissions	SLT	next meeting - Jan 2019	closed
MAB 10 23/7/18	8.1	IW to put an additional note in the Agency Running Costs report to reflect the position on the circa £1m due from the PS Pensions supplier. Revised report to be submitted to the Sept 18 MAB meeting	IW	next meeting	Closed – in the case of compensation, the degree of disclosure is limited for legal reasons
MAB 11 23/7/18	8.1	IW to review the content and presentation of information in the Agency Running Costs report and update it with an executive summary, previous year and note on the contingency	IW	Jan-19	Complete – included in January report
MAB 13 23/7/18	9.8	Jl to ensure that the list of standing agenda items is updated to include a regular report on Business Transformation	Governance	31/10/2018	Complete – included in CE Report
MAB 14 23/7/18	10.3	PC will ask Lorimer Mackenzie to set up a deep-dive examination of SPPA responsibilities for AA and LTA as a high priority	CE	Oct-18	Complete – paper issued Jan 2019
MAB 1 21/9/18	4	LM with additional input from information to follow from SC to assist in its production, to provide a report on	Police	Nov-18	Complete – paper issued Jan 2019

		AA and LTA implications			
MAB 2 21/9/18	7.2	PC to report further to the Board, with the update from Internal Audit's investigations into payment for the previous three financial years and controls (aligned with the actions outlined in the report (MAB 21/9/18 paper 7))	CE	asap	Complete – see paper provided at meeting 1/2/19
MAB 3 21/9/18	9.1	MAB members to provide feedback before next meeting on the CE update paper to ensure that it meets reporting needs	Board	Dec-18	Closed
MAB 4 21/9/18	10.9	CJ to provide an update on the backlog position to MAB at the next meeting	Customer Services	next meeting - 23/1/19	Closed – provided an update paper
MAB 6 21/9/18	14.3	PC to provide the board with an update on the progress of the Web Project at the next meeting	CE	next meeting - 23/1/19	Closed – provided an update paper

5. Audit and Risk Committee update and Minutes

SS gave a brief overview of the ARC meeting held on 23rd January and in particular highlighted the following

-Internal Audit Progress Report 2018-19.

The ABS and Data Quality & Records Management were complete and both were given a reasonable assurance rating

-the audit work on Workforce Planning and Culture was being planned

Report by Audit Scotland

ARC were asked to note that AS planned to issue separate reports for SPPA in July and in respect of the Pension Schemes in September

SS suggested that members read the ARC minutes when available with particular reference to Para 6.2 (Section 22 Report) Para 8.1 (Risk Management and Governance) and Para 11 (Altair Improvement Programme)

6. Finance Reports

6.1 The board discussed a transfer case which was reviewed by the Pensions Ombudsman. IF asked what the next steps in this case.

AP1	SPPA to clarify next steps to be taken in this transfer case
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JMu explained that accrued scheme costs were under budget by 12 million. Forecast for the year end was for both resource and cash expenditure to be within budget. JM also advised that the forecast for depreciation had been reworked and reduced by £350,000.

SS advised that future actuarial services relating to local government would be reviewed and the way payments were made/allocated may be amended.

PC advised that the current staff turnover ran at 3%. This had been highlighted and discussed at the Audit and Risk Committee meeting. SC and JM requested sight of the report.

AP2	JMu to draft a summary table within the financial report with a comparison of last year's figures for easier understanding.
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7. Chief Executive Report

The Board discussed the Chief Executive's Report in full and the following was noted.

Customer Queues

PC advised that the outstanding system based customer queues within the customers services departments had been reduced to a cumulative total of 35.82 weeks. IF asked how long each transaction took. PC advised that workloads and queues would be reviewed under the Target Operating Model (TOM). Efficiencies would be achieved through Altair enhancements. Discussion followed regarding how the outstanding queues would be managed.

Target Operating Model (TOM)

PC and Carole Johnstone, Interim Head of Customer Services, would be meeting the teams within Customer Services prior to the job grading and matching exercise. In addition several key roles would be advertised including Head of Customer Services, Head of Business Affairs, Head of Governance and Head of Communications.

8. Altair Project

PC advised the board that the Altair Project was on track, however, testing by SPPA required improvement. The recent health check had been positive and highlighted areas for improvement.

9. Annual People Survey

The Board discussed the people survey results for 2018. PC advised that the results would be examined and an action plan created.

AP3	PC to provide action plan related to People Survey to the Board
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10. Non-Executive Member Recruitment and Succession Planning

PC advised that recruitment of the chair of ARC and 2 Non-Executive Members of the Management Advisory Board was underway. Interviews would take place on the 4 and 5 February.

11. Annual Business Plan update and consideration for next year

The Board discussed the business plan and it was suggested that it should be condensed to cover the top ten topics.

12. Strategic Plan Review

It was agreed that the review of the Strategic Plan Review would be deferred to a later meeting.

Finally in closing, PC thanked GT for her services to the Board over the last 3 years.

No other business was declared. GT thanked everyone for their attendance and the meeting was closed.

Date of next meeting: 29 April 2019 10:30 hrs at Tweedbank