

## MINUTES OF MEETING OF THE SPPA MANAGEMENT ADVISORY BOARD Thursday 28 January 2021

### Present:

|                         |   |
|-------------------------|---|
| Matt Valente (MV)       | SPPA Interim Chief Executive Chair                      |
| Helen Mackenzie (HM)    | Non-Executive Chair Audit and Risk Committee            |
| Ian Forbes (IF)         | Non-Executive Member                                    |
| Jane Malcolm (JM)       | Non-Executive Member                                    |
| Mark Adderley (MA)      | Non-Executive Member                                    |
| Norman McNeil (NMcN)    | Non-Executive Member                                    |
| Dev Dey (DD)            | SPPA Head of Customer Services                          |
| Ian Waugh (IW)          | SPPA Head of Finance                                    |
| Stuart MacArthur (SMcA) | SPPA Governance Manager                                 |
| Phil Heywood (PH)       | SPPA Head of Pension Platform Programme & IT Operations |
| Hannah Grout (HG)       | SPPA Manager of Risk and Assurance Manager              |
| Pauline Rennie (PR)     | SPPA Business Analyst (Observer)                        |
| Rachel Miller (RM)      | SPPA Interim Head of Operational Excellence             |
| Deborah Sherlock        | SPPA Governance - Minutes                               |

### Apologies:

|               |   |
|---------------|---|
| Liz Holmes    | Non-Executive Member                        |
| Lesley Fraser | DG, Organisational Development & Operations |

## 1. Welcome and Introduction

**1a.** MV welcomed everyone to the meeting with Penelope Cooper sending her best wishes. Hannah Grout, SPPA Risk and Assurance Manager and Pauline Rennie, Senior Business Analyst are attending their first MAB meeting.

**1b.** Apologies received as noted above.

**1c.** No declarations of conflict of interest registered.

### 2a. Minutes from 8 October 2020 meeting

The minutes were adopted without any changes

### 2b. Minutes from 16 November 2020 meeting

The minutes were adopted without any changes.

## **2c. Outstanding Actions**

- 0120.01 – keep open and update
- 0120.02 – Close
- 0720.01 – Close
- 1020.01 – Close
- 1020.02 – Remain open
- 1020.03 – Close
- 1020.04 – Close

## **3. Audit and Risk Committee Report**

HMck provided a short summary of the key highlights from the Audit and Risk Committee (ARC) held on Monday 25 January 2021. The committee had raised concerns of the absence of the SG Fraser Figure at meeting over the last 12 months. The committee have been assured that Lesley Fraser will attend the next round of meetings. The reports presented from Internal Audit had been reviewed giving reasonable assurance. The data quality and management information report includes a series of recommendations, none were rated as high risk although there is a focus on developing improvements and putting a strategy in place to avoid a single point of failure with software. Reasonable assurance has been given with customer complaints, focusing on the information systems and the capture of complaints, with opportunities to learn and improve going forward. The committee are working with the CFO to understand the model of staffing vacancies and the use of contractors and the associated costs involved. The costs that could potentially arise from the McCloud business case will be provided by SG which is of reassurance for the committee. A good discussion was had on the risk register with thoughts about strategic risk versus operational risks, transitional risk was raised with the Finance department changes. The Pension Platform Programme was discussed and the risks involved which gave the committee reasonable assurance of these. The final discussion involved the audit recommendations tracker and the outstanding recommendations which need to be prioritised to be cleared.

## **4. Finance**

The Chair thanked IW for his work at CFO, this was the last MAB meeting before IW's retiral.

IW presented the paper which had already been read by the board with updates on the announcement that the agency will receive 20.8 million which was more than anticipated. COSLA have also signed

up to paying for the costs of actuarial services that supports local governments. The board discussed the amount of temporary staff that are in the agency, the board were assured that the majority are for a short term until the permanent vacancies are filled, in the short term this has given flexibility to customer services supporting existing staff with workload queues. The board also raised the HR processes of role descriptions and job matching with upgrades to some roles taking place; this was highlighted in the financial section. The board also referenced external recruitment and virtual inductions, querying how successful this has been? The board were assured that some of the upgrades are processes from the TOM and roles have been regraded. Temporary roles have been created at higher grades for the current resourcing requirements, with succession planning and developing people to fill these roles. SLT has prioritised having an understanding of the journey needed on resourcing and recruitment going forward and working closely with HR on progression. External recruitment is ongoing and expected to attract a lot of talent, it is taking a bit longer than normal practice by being virtual. The board were assured that the additional roles and upgrades have not impacted the budget.

## **5. The Pension Platform Programme**

PH gave highlights on the papers. The contract extension has been approved until 2026 with an option of a further year to 2027, this will be signed today by the CEO. The business case has been approved for the current state assessment which is looking forward to the agencies needs for optimal service provision, the evaluation of the strategic outline case has become clear which needs to be around the platform process service design and what the market can provide with an understanding of what the platform needs to look like in the future and to support the strategic objectives. The board enquired on the relationship with Heywood with the contract extension, the board were assured of a strong working professional relationship going forward. The board questioned the long procurement process taking place with technology moving so fast. PH assured the board that these considerations are being built into the procurement requirements from commercial and contractual arrangements with trends in technology going with a service driven component approach containing all the elements required to give the flexibility that is needed. The board felt this was the right approach with the clear needs of complexity and basics to get the job done. PH confirmed that a health check has been carried out in November with an elective health check in late April against Audit Scotland's recommendations. The board reiterated the challenges at SLT level with sickness and management changes, this should be

accounted for in the governance of the project to avoid previous mistakes and risks with the procurement. The Chair added that SLT are encouraged with the work in the project, with information going to the cabinet secretary and the minister with updates on how the project is progressing. The work being carried out with GAD in terms of the technical design confirms that we are definitely in the driving seat with the project and the key risks and this will hopefully alleviate some of the concerns to the board over the next few weeks.

## **6. Department Updates**

### **Customer Services Report**

The board have read the paper prior to the meeting, DD highlighted to the board the plans that were in place to open up the call lines for 4 hours a day for all types of queries as the number of emails and complaints have risen. However, due to school closures and lockdown there has been a delay in this service which was originally planned from the 18 January. The board noted the good progress made on ABS statements and questioned what happens to the members that do not receive statements? DD advised that 99.7% of eligible members received statement and a message was put on pulsion, which is accessible to NHS and Teachers, to view their ABS. If the member cannot see their statement they are asked to contact Customer Services. The main focus now is to ensure that 2021 is a success for delivery of the ABS. The board raised concerns of any high salary earners that may cause a breach by not being identified. DD confirmed that the practitioner team are working to identify who will fall into this category and are working through the calculations to notify the individuals.

### **Digital Transformation & IT Operations**

PH answered questions from the board. The board commented on the test and release management that is RAG'd amber and questioned what risks result. PH confirmed that the target for 11.1 release is mid-February. There will be releases scheduled every quarter or every 6 months and we are up to date, it is amber due to the test and release process stage not being fully embedded and still at forming stage. The board also noted that staff wellness was showing as amber. GC replied that the figures shown are from December, however there is not an increase with sickness, there is an increase of staff sick with stress. We have a strong mental health provision for supporting staff facing the difficulties of isolation, working from home and childcare. The Chair highlighted through speaking with counterparts within SG the public sector is experiencing absences of between 12% and 13% in Scotland with

high reports of stress, anxiety and mental health issues. JMcD highlighted that the paper states that the annual pension increase is 0.05% and not 0.07% as stated in the paper.

### **Business Affairs**

IC wanted to draw the attention of the board to the McCloud remedy programme. There has been a delay in the UK Government's response and it is anticipated to be released on the 4 February 2021. The awareness of the outcome has enabled planning within the agency. The board highlighted the website and the resulting demand on customer services in terms of calls and emails. GC confirmed that that work is being carried out with DD and his leadership team to establish content governance of the website and to ascertain where members can gain the information they need. Continuous improvement to the website for customers use should continue. The board enquired if the employers are being involved with links direct to the website. DD confirmed that employers will be at the forefront of these changes.

### **Risk**

The chair took the papers as read and asked that since HG had left the meeting, if there were any questions on to direct them to SMcA who will coordinate them with HG. The board requested that a written summary from the Chief Executive giving an overall general look across the agency would be useful going forward.

**012021.01** CEO will provide a written executive summary of a general look across the agency, for future MAB meetings

## **7. The People Survey**

GC addressed the board with the results of the survey. SLT have expanded colleague engagement and formed A Great Place to Work group. Which engaged staff and prioritises work with positivity. SPPA has seen an increase in employee engagement for the first time in 4 years. 2020 showed that we went up in 7 of the main key areas. Some of the key highlights showing were fear of change, resentment towards the TOM and a disconnect and distrust with senior management. A more consultative approach is needed to address these issues with improvements needed going forward. With this feedback SLT are prioritising an action plan which is in its infancy and will be shared with colleagues and worked on through line managers across agency. Cooperation with the board and feedback for improvements are welcomed. Members highlighted balance needs to be looked at between management and staff with honesty, trust and empowerment being the core of becoming a

positive culture. Creating ownership between everyone and not just through SLT is important to move forward. The board felt that the challenges within the agency concerning colleagues should be reflected in the risk register where they can be monitored or highlighted.

Helen Mackenzie left the meeting at 13:30 due to unforeseen circumstances.

### **8. Framework Document Approval**

SMcA addressed the board on the framework document for comment and formal approval. The board approved with some textural changes updating and recirculating before being presented to the Minister.

The chair closed the meeting and thanked the board for a productive meeting. The board will be kept updated.

The next meeting is 22 April 2021.