



**Attendees:**

Brian Barbour (BB)	Chair
Mark Cook (MC)	Vice Chair
Craig Black (CB)	Board Member
Graeme Eunson (GE)	Board Member
David McColl (DMcC)	Board Member
Tom Wilson (TW)	Board Member
Kay Sandilands (KS)	Board Member
Gordon McKay	Board Member
Claire Pullar	Board Member
Hannah Grout (HG)	SPPA Risk and Assurance Manager
Iain Coltman (IC)	SPPA Head of Regulatory Affairs (Interim)
Greg Walker (GW)	Senior Policy Manager
Dev Dey (DD)	SPPA Head of Customer Services
Phil Heywood (PH)	SPPA PPP Director & Head of IT (Interim)
Sally Paterson (SP)	SPPA Customer Service Manager
Jonathan Sharp (JS)	Data Protection and Information Governance Manager
Anne Walsh (AW)	SPPA McCloud Project Manager
Stuart MacArthur (SMacA)	SPPA Governance Manager
Deborah Sherlock (DS)	SPPA Governance - minutes

**1. Welcome, introductions and conflicts of interests**

BB welcomed everyone to the meeting.

No conflicts of interest declared.

**2a. Draft Minutes and Action Points from previous meeting and updates**

Minutes from the meeting on 29 October 2020 were adopted.

Minutes from the meeting on 8 December 2020 were adopted.

**2b. Action Points**

The action points were reviewed and the following noted:

- **N18.06 07/11/2019 – Action remains open**  
BB confirmed that this is still on hold, JMCD will update in the meeting.
- **N19.02 06/02/2020 – Action to close.**  
BB confirmed that this is going to be covered in the meeting.

- **N19.06 06/02/2020 – Action to be closed**  
BB confirmed this will be covered during the meeting in Business Continuity paper.
- **N22.01 09/07/2020 – Action to be closed.**  
BB confirmed that DD will update in the meeting. Circulate the Employer Charter to the board after the meeting.
- **N22.02 09/07/2020 – Action to be closed**  
SP will cover this in the CS update.
- **N22.03 09/07/2020 – Action to be closed**  
The email auto response has been amended. BB requested action to be closed.
- **N1020.01 Action to be closed**  
Business continuity to be closed.
- **N1020.02 - Action to be closed.**
- **N1020.03 - Action to be closed.**  
The update is included in the meeting agenda – to be closed.
- **N1020.04 – Action to be closed**  
HG has this included in the papers being presented in the meeting.
- **N1020.05 – Action to Remain open**  
Change of process of ill health applications and IDRP, this is ongoing.
- **N1020.06 – Action to be closed.**  
The McLeod remedy is included in the meeting agenda.
- **N1020.07 – Action to be closed.**
- **N1020.08 – Action to be closed**  
BB confirmed that the annual report will be issued when it is ready, rather than at the end of the year.
- **N1020.09 – Action to be closed**
- **N22.04 09/07/2020 – Action closed**

GE highlighted that the actions from the previous interim meetings had not been included in the tracker. SMacA advised that the business as usual actions had been included and interim actions will be included.

<b>N0221.01</b>	<b>Actions from interim board (Practitioners funding) meetings to be included on the Action Tracker.</b>
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### 3. Customer Service

#### 3a. Customer Service

SP highlighted the new awards for the last quarter with the completion rate of 99.94% was the key target for the team which has been maintained during the difficulties faced during home working. The board had shown some concern in previous meetings on the response to emails being at 60% and asked when business as usual will service commence as it is nearly 12 months since Covid and lockdown started. SP advised 42,000 contacts during quarter three were dealt with by the Customer Service teams together with temporary staff who are supporting the volume of emails. The transfers on the dashboard which are highlighted in red is because of the team involved is being utilised to support the contacts team.

DD advised the board that when the phone lines are open this will improve the situation with emails and enable CS to provide a better service to the customers with sufficient staff to accommodate the volume of calls expected. There is a plan in place to open up full

phone line services, which has been delayed due to the current lockdown restrictions and school closures with staff having childcare to manage. The plan is now to open up the phone line once the schools return, possibly in March 2021, and this should see a reduction in emails.

- 90% of emails received are responded to at the first point of contact.
- All emails are read, responses may vary.
- 10% of remaining emails are cascaded to teams for more detailed answers.
- Tasks are set up from calls and emails received.
- Target of 24 hours in terms of KPI for response to emails, currently running at 36 hours. Recruitment of staff will improve figures to 24 hours.

The board enquired on the time line of October, November and December if there will be a general improvement going into January. SP highlighted that numbers had fallen, more temporary staff had been taken on with recruitment for permanent staff taking place, the team are confident going forward of managing to keep the numbers down. The board asked if pension savings statements could be included into the service delivery report with the targets and volumes included. SP advised that this can be provided for the next board.

<b>N0221.02</b>	<b>Savings statements to be included in the service delivery report.</b>
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<b>N0221.03</b>	<b>SPPA to update board of progress to reduce email response time before the next board meeting</b>
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#### *Customer Service Dashboard*

##### *Customer First – Critical Tasks*

SP highlighted the estimates issue with a 1,000 emails enquiries, an analysis has been carried out by the Quality Support Coaches for introducing some improvements with the overall awards teams dealing with enquiries rather than a separate smaller team. The Customer engagement team will engage in training to handle the initial enquiries rather than refer the enquiry.

SP advised that plans are in place to avoid the issues with ABS statements that had happened last year, which had resulted in 7 complaints. A project manager has been appointed to oversee the ABS project and avoid the delays experienced last year. The board enquired why the 2019 ABS are not online but the 2021 are available, the board felt that 4 to 5 years of information should be available to members for continuity. SP agreed that this is now being handled by the Project Manager to ensure that all information is available to members.

Further highlights were given on the Bereavements Team which was set up due to working from home specifically to deal with death in service and death in retirement; an overview of the procedures led the team to develop a more streamlined service. NHS retirements delayed from 2020 due to Covid have now began to accumulate for March and April awards for this year and the volumes are predicted to rise throughout 2021. The board questioned the payment accuracy and it is checked to ensure that errors are being monitored. SP confirmed that this is being carried out and MI will be shown quarter on quarter going forward.

<b>N0221.04</b>	<b>Customer Services to provide an update on members ABS information being provided online</b>
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<b>N0221.05</b>	<b>An update from the ABS project manager to be on the next board meeting agenda.</b>
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### *Customer First – Non Critical Tasks*

SP highlighted the 14 complaints received in quarter 3 have been investigated; 7 related to estimates and 7 related to ABS which are the areas which are the greatest number of contacts.

- Issues that have been raised from Internal Audit review will be processed to deliver a more streamlined service to members.
- Estimates are also being reviewed to improve services offered to members.

The board questioned the delivery of KPI's on homeworking and not all of them being met. SP confirmed that these are based on business as usual and the management team are aware that some are not being met, this will be delivered back to the management team to review.

### *Operational Excellence*

SP advised on the updates:

- ABS action points taken from the board in previous discussions are being acted upon.
- AA now has support from a project manager going forward.
- Evaluation Exercise is being supported by a project manager based in the digital team with support from customer service staff.

### *GMP Reconciliation Project*

SP highlighted:

- The project will provide an update for the next board meeting.

### *Overpayments*

SP highlighted:

- 5 overpayments in the last quarter, no trend to how errors were made.

### *Develop Our People*

SP highlighted:

- Ongoing recruitment of permanent and temporary staff
- Completed recruitment for Quality Support Coaches
- Team Leader recruitment is also in progress with there being a reshuffle of teams to accommodate the workload more efficiently. Impact from home schooling has caused staff resources to be limited.
- Customer Services are in a good place on recruitment.
- Team Leaders have daily contact with their teams to ensure employee wellbeing is being met.

The board reconvened after a 5 minute break.

## **4. Pension Platform Programme Update.**

PH gave a brief update to the new members and the history of the PS Project Programme which was closed due to delivery failures after 2 years. This came into scrutiny with Audit Scotland, the Scottish Government resulting in a PAPLS enquiry with lessons learned. The progress on the new Pension Platform Programme are:

- extension negotiations with Heywood are complete with flexibilities until 2026, which includes the option for a further year to March 2027, have until 2023 to exercise the extension, this will options if the programme is ahead of plan to migrate
- strategic outline case has been approved with a number of recommendations with respect to preferred options for maintenance of the service provision.
- Ministerial approval is scheduled to take place in July 2021 for the platform programme.
- Planning of transition and migration for the next 12 months to include phasing of the delivery and what support/colleague support will be required.
- Expectations of the new platform will be presented to the programme board and the pension board over the next few months.

The board thanked PH for the report which has given an understanding of the project with avoidance of previous problems experienced. The board would like regular updates on the platform for assurances, reference to delivery in terms of the needs for members who are active, deferred or those receiving pensions. PH agreed to attend each meeting to give an update of the programme. User requirement research is at an early stage with prior feedback from members the key objective of the programme is introduce the capability of the user needs, understand the needs/demands and welcome input from the board and provide recruits to the user panels for a deliverable service.

## **5. Digital and IT**

JMcD gave the board an update on the papers which included:

- 11.1 is an Altair is a software upgrade provided by Heywood, enabling end of year legislative payroll procedures which include P60's and final reporting to HMRC. This is implemented for all of the schemes administered by SPPA.
- The API exercise is underway with an increase of 0.5% to be applied from 12 April 2021. Information will be published on member payslips.
- Work has been carried out on integrating data between the admin team and the payroll team to alleviate the errors that occurred last year.
- Additional resources are in place for the data cleanse with allocated time between stages of the payroll goes for payments.

The board welcomed the high level of confidence in the delivery of the API this year without reoccurring issues from last year.

## **6. Business Continuity Update**

JS provided the board with an update from the last 12 months:

- Progress has been made with business as usual with staff working from home.
- Awareness of Covid safety within the office for the mailroom team and NHS call centre staff.
- Cyber security continuing to raise staff awareness working from home with different dimensions of working from home with distractions of childcare.

The board discussed the updates enquiring if there had been any lead from SG to when the offices may be reopening. JS confirmed that no indication has come from SG when this may commence and it will be with caution as digital working has been successful. The board raised the risk set of a cyber-attack and asked what preparations are in place to deal with this. JS highlighted that ransomware is a key risk and SPPA staff are aware to be

cautious of opening email links that are not credible. The SEPA incident is being monitored and any learnings.

<b>N0221.06</b>	<b>The board requested a return to normal operation paper to be included when a decision to return to the office has been made</b>
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## **7. Risk Update and Strategic Risk Register**

SMacA introduced Hannah Grout, SPPA's new Risk and Assurance Manager, to the board. HG highlighted the proposed processes with the strategic risk register which are involving Customer Services department, HR and IT with expectations all members of staff to have risk built into best practice and confirmed a specific board register will be in progress to present to the board at each meeting.

The board welcomed the implementations proposed, all of which were positive and asked for the risks at each level with more discussion on the board specific register. HG advised the board that the risk cards can be updated and provided to the board along with discussion on the specific register.

## **8. Policy IDRP Update**

The board highlighted the analysis of the low KPI's and what improvements have been made. GW stated the medical KPI is at 44% due to members providing medical evidence, and SPPA encouraged members to provide the required evidence at the initial stage of the ill health application, to avoid the appeal stages and provide a better service to the member and improve the KPI's. The non-medical cases KPI's at 67% are due to a number of complex cases which have required legal and arterial advice to progress the cases.

## **9. Governance Update**

SMacA took the papers as read prior to the meeting and:

- thanked members who had completed the training pack and members that had not completed the pack if they could do so, to keep the training records up to date
- highlighted the first webinar is likely to be in April with the Pensions Ombudsman, to be confirmed
- referred to the table of current members, with terms and tenures included, and confirmed there is a vacancy for an employer representative.

The board suggested SPPA find an employer representative member that has a skill set on deductions for practitioners and salaried members. The consultation that was sent out to members did not go to the pension board first and the board was unaware that this email was being sent out to members. IC advised that due to the tight deadline the consultation was sent out without prior notification to the board, and offered apologies with an assurance advance notice will be given in future.

The board asked for an action to be raised for a better understanding of the different responsibilities between the Scheme Advisory Board (SAB) and the Pension Board. IC confirmed that an annual report from the SAB to the Pension Board will be provided going forward and the start of building a relationship between the boards.

<b>N0221.07</b>	<b>SMacA and BB to discuss the skill set required from an employer representative member to be recruited the board.</b>
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## **10. Practitioner Funding**

AW gave the board an update of activity to date:

- Focus has been on member and employer communications to raise awareness of the data issues experienced by SPPA
- correct data to be rectified within the next financial year
- monitoring of data feed and flagging incorrect data issues
- recovery of underpayments from employers requires a plan, this will confirmed with the employers
- require clarification from HMRC on overpayments tax issues before rectification can be made to the members.

The Chair thanked SPPA for creating a project which now has a plan in place to resolve these issues. Members have been notified to alleviate this issue escalating further. SMacA confirmed a plan is now in place with action dates allowing SPPA to share timelines with the Pension Regulator. The board would like sight of the communication that went out to employers and members. AW confirmed that communication went to employers with a letter to members directing them to identify the various employments.

The board requested a record of the size of the problem with details of how far back of the agreed time of underpayments has been established. AW confirmed that a 5 year rectification period had been discussed and if tax adjustments can be made, overpayments will be looked at if a member has overpaid for longer than 5 years.

The board raised concerns on the root cause analysis and lessons learned from how the problem arose without it being noticed. AW confirmed that data received from employers was not reflective of all members' various employments which resulted in incorrect contributions being paid. Multiple employments have caused the data capture to be incorrect. The members need to notify their employers of their tier and to declare their other employments. The board raised the issue of the email addresses of some members being incorrect and how members have been contacted. AW confirmed that communication was sent by post to avoid members not receiving the information, when a member contacts the agency a confirmation of email address will be made to update records.

CB stated the five week time frame to get annex D out to members and get them to respond for this financial year's adjustments might not necessarily happen. AW confirmed that they are aware of this issue, but it will allow for some of the under and overpayments to be cleared in this financial year.

The board asked for details to be presented to the board of members affected with over and underpayments and the decisions being made. AW confirmed that data would be available around June and July 2021 which will be the starting point of the rectifications. A paper will be provided to the board at the next meeting on the progress of the rectifications.

## **11. 2015 Remedy Project**

AW updated the board on the project which included:

- discussions on McCloud remedy have taken place with the strategic direction of the agency
- approach for NHS and Teachers to de-risk any development on the live system
- discussions with Heywood to develop a standalone calculator for the McCloud comparison calculations – to produce annual benefit statements on the two schemes for each member
- a robust manual process in the interim, and a new platform with a fully automotive system going forward
- all members to be moved back on to their final salary scheme.
- the start of the comparison calculations for the remedy period will be sent out on an annual basis to members.

IC addressed the board with details of the high level timeline which outlines some of the expected legislative process. The key driver for McCloud is the primary legislation; the bill is anticipated to be ready around summer time. Technical details will need to be worked through, taxation in particular, however HM Treasury and HMRC are optimistic of solutions being made. When SPPA has sight of primary legislation, drafting scheme specific regulations will begin with engagement from the Scheme Advisory Boards. There will be two phases; the first being the scheme legislation in place for April 2022 which will move everyone to the new schemes, and 12-18 months later rectification legislation will be in place to allow retrospective changes to contributions for other schemes.

The board asked whether HMRC has given a timeline for this tax year and has agreed not to pursue annual allowance charges, due to the process of needing to manually recalculate and rectify for the previous year's tax liability, and if additional funds are being allocated to SPPA to allow for this work. IC confirmed HMRC is working through these issues before the bill comes in the summer time and is aware of the complications. The budget announcement has allocated funding to allow for this remedy. IC thanked the board for this information and will take this information to the SAB meeting.

## 12. AOB

**No further business was raised and the meeting was closed.**

BB confirmed next meeting will be on 4 May 2021, thanked everyone for their attendance and closed the meeting.

### Summary of new actions

Action No.	Action	Assigned	Target Completion Date
0221.01	Actions from Interim Practitioners meetings to be included on the Action Tracker	CM	04/05/2021
0221.02	Savings statements to be included in the service delivery report	DD	04/05/2021
0221.03	The board to be notified of progress to reduce email response time before the next board meeting.	SP	04/05/2021

0221.04	Customer Services to provide an update on members ABS information being provided online	SP	04/05/2021
0221.05	An update from the ABS project manager to be on the next board meeting agenda.	SP	04/05/2021
0221.06	The board requested a return to normal operation paper to be included when a decision to return to the office has been made	JS	
0221.07	SMcA and BB to discuss the skill set required from an employer representative member to be recruited the board.	SMcA	04/05/2021
0221.08	Annual Report from the SAB to be provided to the Pension Board for visibility, when finalised after year end	IC	When available

**These minutes were approved on 4 May 2021 as a correct record of the meeting held on 9 February 2021.**