



Attendees:

Clare Scott (CS)	Chair
Ray Martin (RM)	Vice Chair
Andy McGoff (AMcG)	Board member
Brian Cookson (BC)	Board member
Cllr Charles Buchan (CB)	Board member
Dave McGinty (DMcG)	Board member
Drew Morrice (DM)	Board member
Graham Hutton (GH)	Board member
John Crichton (JC)	Board member
Leah Franchetti (LF)	Board member
Louise Wright (LW)	Board member
Peter Smith (PS)	Board member
Sharon McKenzie (SMcK)	Board member
Tom Nash (TN)*	SPPA Head of Regulatory Affairs
Rachel Miller (RMi)	SPPA Head of Operational Excellence (Interim)
Anne Walsh (AW)*	SPPA 2015 Remedy Project Manager
Dev Dey (DD)	SPPA Head of Customer Service
Gerry McGarry (GMcG)	SPPA Customer Service Manager
Hannah Grout (HG)*	SPPA Risk & Assurance Manager
Phil Heywood (PH)*	SPPA Pension Platform Procurement Manager
Greg Walker (GW)*	SPPA Senior Policy Manager
Stuart MacArthur (SMacA)	SPPA Governance Manager
Clare Moffat (CM)	SPPA Governance Delivery Lead - minutes

* attended for specific agenda items

1. Welcome, introductions and conflicts of interest

The Chair welcomed everyone to the virtual meeting at 10:00 and noted no conflicts of interest were declared.

The order of events was altered to discuss item 3 before item 2.

3. Pension Board effectiveness

CS introduced the subject referencing the board's review of its effectiveness in 2020 and that the board felt it was important to get feedback from the Agency on its effectiveness. Further, the data working group has felt some resistance from agency staff on the board's involvement and as a result, it was felt to be important to discuss and agree how the board assists the agency in service delivery, in addition to its legal role in overseeing compliance with legislation.

TN acknowledged the governance schematic was unclear and following discussions with internal stakeholders and members of the Management Advisory Board, had updated the SPPA governance framework documentation with clear delineation of Agency and Board Governance responsibilities. The revised governance framework awaits sign-off and the final version will be circulated to the board as soon as possible. The revised schematic outlines the dual role of SPPA Chief Executive; as Chief Executive and Accountable Officer of SPPA, but also as Scheme Manager and Accountable Officer for Scottish Teachers' & NHS Pension Schemes [and Scheme Manager for Scottish Police and Firefighters' Pension Schemes, providing support to Scottish Fire and Rescue Service and Scottish Police Authority].

TN outlined the pension boards have a key role in assisting SPPA operationally, to improve for example, performance reporting and challenging SPPA to meet operational delivery of key elements to customers. The Management Advisory Board (MAB) have responsibility for scrutiny and support of SPPA strategically. This operational input from pension boards contributes to MAB's responsibility of scrutinising overall Agency performance.

The role of Scheme Advisory Board (SAB) is to advise Ministers on circumstances where legislation changes may be required, e.g. 2015 remedy. SABs' early involvement to assess impact feeds into Pension Board discussions for practical ways to deliver change and help SPPA improve processes. However it was recognised that there is currently no communication between MAB and the boards. CS highlighted that the role of the board covers both governance and administration, hence where governance and strategic matters impact on the Teachers' scheme these are relevant to the board

The board welcomed this commitment to work together and were assured SPPA welcome ways to better serve customers, as outlined in the agency's strategic aims. SPPA recognised and valued the board's direct link to customers and hoped to have more frequent contact with the boards, in addition to quarterly boards, via Customer Service and Governance teams.

The board asked for clarification on whether SPPA would prefer the board's input throughout service delivery or only to scrutinise at the end of the process, as there should be sufficient board involvement to ensure the board fulfils its obligations. TN agreed to consider this further for possible inclusion in framework document, citing the support provided by the Chair on Code of Practice changes as a clear example of direct assistance from the board.

The Chair outlined the board has a responsibility to monitor compliance with legislation and report to the regulator and also highlighted the possible overlap of key governance responsibilities with MAB. TN confirmed the MAB and its Audit & Risk Committee (ARC) subgroup have full sight of administration functions of SPPA with input from Internal Audit and advised the updated schematic will help to explain these responsibilities. TN agreed to feedback to the board on SPPA's view on board effectiveness and also reiterated the board can raise concerns at any time through DD, their SLT representative, for escalation to SPPA Chief Executive and, if necessary, to MAB.

2. Draft minutes and Action Points from previous meeting

2.1 The minutes from the meeting of 18 February 2021 were approved.

2.2 Outstanding actions were discussed and the following were closed:

T0221.03 2015 Remedy Project communications

The board noted the project was yet to undertake their offer to assist with communications and requested the opportunity to comment on all project communications before issue.

T1020.04 Customer experience quality analysis

The board recommended SPPA implement a wider feedback strategy; SPPA confirmed call surveys were only first step and further qualitative MI would be gathered from single event surveys (e.g. summer retirements) and further updates will be provided in due course.

T0221.07 Pension Board training certification – closed

T0221.04 Breach log – closed (now a standing agenda item).

New actions were added:

T0521.01	The Chair requested board members review and comment on the 2015 Remedy information available on SPPA website
T0521.02	The Chair to liaise with Governance team to populate Breach log with historic incidents.

4. Operational Excellence

RMi provided an overview of the department, its purpose and focus on continuous improvement with current activity on planning and performance, organisational change and the project management framework.

The board discussed risks, barriers to success and 2015 Remedy communications, specifically for members who may have been eligible for ill health retirement in the legacy scheme. SPPA confirmed it is working closely with other cross-Whitehall departments and awaits guidance on immediate detriment cases in advance of the legislation. When this becomes available, the project will circulate communications with the board for feedback before issuing/updating member communications (further to T0221.03).

When asked if there was an employer engagement strategy, SPPA advised employer communication was in early planning stages to initially identify what data will be requested from employers. The project will take advice and guidance when available, with SPPA's Regulatory Affairs team considering all challenges.

A contributions issue which had arisen due to conflicting information on SPPA website was discussed. SPPA confirmed this issue was under investigation and a further update will be provided once available.

The Chair noted i-Connect was not being implemented and asked for the reasons for this decision, queried employer engagement, what alternative was being considered to improve data transmission and how this was reflected in the risk register. It was highlighted that many local authorities already use i-Connect. SPPA confirmed some employer engagement had taken place however a decision was taken to pause i-Connect based on the cost/resource implication for employers versus the time available to obtain the full benefits of implementation before a new pension platform arrives. i-Connect had been implemented for the smaller, single-employer Police and Fire pension schemes however.

The board highlighted ongoing data transmission issues were a key risk to the ABS exercise and queried operational oversight of the ABS exercise. RMI explained the root causes of the failure of 2020 ABS exercise, and reassured the board the 2021 exercise was a priority project with an experienced project manager supported by technical experts and robust project management, governance and high level of scrutiny. It was agreed the board's subgroup should remain in place, led by the Vice Chair, to support SPPA with the 2021 ABS exercise. SPPA will update the board's data working subgroup on the progress of employer data submissions at 31 May 2021 and the Chair suggested members contact the Vice Chair if they wished to join the subgroup.

T0521.03	SPPA to update data working subgroup with employer data submissions at 31 May 2021
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The Chair highlighted paper 4, a proposed performance report template designed to provide more detail of service delivery, and asked SPPA and the board to send comments to the Vice Chair.

T0521.04	Board members to feedback on performance template to Vice Chair
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SPPA advised progress to implement changes following the Goodwin ruling and agreed to add updates on this, and other priority projects, to future reports.

T0521.05	SPPA to share list of priority projects and include updates in future reports
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The meeting paused for a 10-minute break and resumed at 11:35.

5. Customer Service

SPPA discussed the considerations of returning to office working and confirmed a large Pension Administrator recruitment exercise was almost complete with new staff expected to be in post over the next two months.

The board asked SPPA to ensure their thanks were conveyed to every member of staff for their ongoing efforts and dedication.

SPPA presented extended phone service statistics, advised improved scheme-specific MI would be available from Quarter 2 and additional qualitative feedback would be gathered from single event surveys and the web service feedback mechanism. The board agreed SPPA should gather a balanced view of customer feedback across all service areas throughout the customer journey and noted the qualitative improvement actions noted in paper 5.2 Internal Audit Report (Review of Customer Complaints).

An update of progress of employer submissions was provided and further discussion planned to agree escalation process. The creation of the SPPA/employer TWG subgroup should help to resolve issues and SPPA's data team have invited a broad range of employer groups, in addition to local authorities, to join this forum. It was agreed outputs from the TWG subgroup would be routinely shared with the board and RM would lead the data subgroup and collaborate with GMcG from early June 2021.

The Customer Service actions were updated as follows:

- T0221.06 Ill health award process - carried forward**
- T1020.05 Complaints – to be closed**
- T1020.08 Data working Group – to be closed**
- T0221.01 Data working Group – to be closed**
- T15.03 Employer Charter – carried forward**

6. Risk

HG updated the board on SG's new risk guidance, progress of audit actions and 2021-22 business plan and, as the papers shared were extensive, asked the board what papers to circulate in future. The board acknowledged the transparent sharing of the ARC papers, however requested to see a quarterly breach log and scheme risk register, with sight of the corporate risk register annually.

The board requested the risk register reflect their concerns around employer data transmission following SPPA's decision not to implement i-Connect.

T0521.06	Following SPPA's decision not to implement i-Connect, SPPA to: (a) update risk register with employer data transmission issue (b) provide details of alternatives under consideration to improve employer data transmission
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The board noted the significant progress on risk since November 2020.

7. Pension Platform Programme (PPP)

Following questions from the board, PH advised proof of concept exercise proved a standalone calculation engine was feasible and discussed market engagement with suppliers. PH confirmed the project was back to amber

status now the new SPPA interim Chief Executive was appointed as SRO and explained the time without a SRO would not have a huge programme impact, mainly affecting milestones.

A point was made that key project risks should be linked to the risk register.

8. Data Protection and Information Assurance

Paper 8 which provided an overview of the last 12 months and following discussion, the board agreed it would be helpful to have a webinar on cyber security scheduled on training programme.

9. Policy

The board discussed the opt out report which is considered by SAB, acknowledged the SAB also has responsibility for this area, and noted the relatively low number of opt outs. The board recognised that a longer-term focus was needed to monitor opt-outs because the numbers are low and asked if SPPA could provide further detail to consider trends, particularly around the number of younger members choosing to leave the scheme. GW agreed this information could be added in future and also confirmed SPPA were involved in 2015 Remedy cross-Whitehall working groups.

The actions were updated as follows:

T0221.05 IDRPs Report – closed

T8.11 Scheme Eligibility – remains open

10. SAB

The Chair and Vice-Chair explained they had each attended a recent SAB. The board welcomed this development and agreed to share the most recent pension board minutes with the SAB and invite a SAB member to observe pension board meetings.

11. Governance

The board agreed to respond to the Pension Regulator's Codes of Practice consultation. The Chair and Vice Chair will prepare a draft for comment. LW confirmed COSLA taking steps to fill employer vacancies on SAB and pension board.

12. Board responsibilities

The board discussed paper 11 and agreed RAG status of individual, board and SPPA obligations.

13. AOCB

No other items raised.

14. Arrangements for the next meeting

The next meeting will be held virtually at 10:00 on 2 September 2021 and it was agreed if there is the possibility of meeting face to face, members will be contacted individually.

Summary of new actions:

AP ref	Page	Action
T0521.01	3	The Chair requested board members review and comment on the 2015 Remedy information available on SPPA website
T0521.02	3	The Chair to liaise with Governance team to populate Breach log with historic incidents.
T0521.03	4	SPPA to update data working subgroup of data submissions at 31 May 2021
T0521.04	4	Board members to feedback on performance template to Vice Chair
T0521.05	4	SPPA to share list of priority projects and include updates in future reports
T0521.06	5	Following SPPA's decision not to implement i-Connect, SPPA to: (a) update risk register with employer data transmission issue (b) provide details of alternatives under consideration to improve employer data transmission

These minutes were approved on 2 September 2021 as a correct record of the meeting held on 13 May 2021.