



Minutes – Scottish Teachers Pension Board 2 September 2021 (no. 26)

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 (joined from approx. 11 a.m.)
Sharon McKenzie (SMcK)	Board member
David Robb (DR)*	SPPA Chief Executive (Interim)
Rachel Miller (RMi)*	SPPA Head of Operational Excellence (Interim)
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
Apologies:	
Dev Dey (DD)	SPPA Head of Customer Service
Cllr Brian McGinley	Board member (pending appointment)

* connection issues

** joined call for a short time to update on specific agenda items

1. Welcome, introductions and conflicts of interest

Apologies were received from Dev Dey and Cllr Brian McGinley.

The Chair welcomed DR and introductions were exchanged.

The Chair declared a potential conflict of interest following her appointment as pension fund adviser to Fife Council LGPF, which had been noted by SPPA on the register of interests. No further conflicts were declared.

The Chair confirmed SPPA were in the process of appointing a new board member and thanked LW for assisting.

The order of events was altered to discuss items 7 and 8 before item 5.

2. Draft minutes and Action Points from previous meeting

The minute from the meeting on 13 May 2021 were approved.

Outstanding actions were discussed and the following were noted:

T1020.06 Absence rates – remains open

GMcG outlined absence for his area of responsibility and the board again requested SPPA provide absence rates at future board meetings.

RMi confirmed there is a documented attendance management policy in place and agreed to provide the current rate before the board meeting in November 2021. Action reassigned to OpEx.

T15.03 Employer charter – remains open

SPPA confirmed the Senior Partnership Manager had now been appointed, who will drive the development of the employer charter.

T08.11 Eligibility Review

To be considered after Policy update at item 10.

3. Operational Excellence

RMi thanked CS and RM for their dashboard input and confirmed work is underway with the first draft SLT dashboard prepared, from which the board's dashboard will evolve. The Chair reminded the board to feedback any final comments on the performance template circulated.

SPPA outlined their Brilliant Basics benchmarking approach, following the board's queries around the metrics to measure success. RM commented that the Net Promoter Score was not suitable for a pension service. RMi said the customer survey questions were more akin to a customer satisfaction.

The group discussed member communications and it was noted SPPA await guidance from HM Treasury on 2015 remedy project immediate detriment cases. SPPA confirmed the website will be updated to inform members of the new legislation, once available. BC requested confirmation that the project will be considering the changes to the ill health definitions and the potential for members to apply retrospectively and RMi confirmed this would be the case.

2021 ABS Exercise

95.22% of eligible members were provided with an ABS by 31 August 2021 and 3,523 members are being investigated. In approx. 1,150 of the 3,523 outstanding cases, accurate 2021 data has not been provided in time by the employer. RM requested clarification why the remaining 2,373 ABS were not produced. SPPA

are currently finalising their recovery plan and compiling lessons learned which will be shared with the board in due course.

The Chair commended SPPA for the great work to date, and thanked the ABS subgroup for their involvement. The Vice Chair updated the board on the subgroup’s activities and conclusions which recommended SPPA consider more action to encourage employers to provide accurate and timely data to streamline the ABS process. The board discussed its compliance role – to ensure SPPA meet its statutory requirement to provide ABS to 100% eligible members by 31 August each year – and possible ways to assist SPPA. Board members had different views on whether additional costs of administration associated with late delivery of data from employer should be charged to the relevant employers. RM and CS commented that such transfer of costs is common in other public sector schemes and has generally helped to improve the timely receipt of data.

DR shared the board’s disappointment that this regulatory standard was not met, which will be reported to TPR, and confirmed SPPA will continue to collaboratively engage with employers to improve data quality.

The implications for eligible members who had not been provided with an ABS because their employer had not submitted timely or accurate data was discussed. RMI agreed to update the board on how SPPA notifies these members and provide further information to the board on the reasons for the

T0921.01	SPPA to advise if/how it is proactively contacting eligible members who were not provided with a ABS
T0921.02	SPPA to provide clarification on the why the remaining 2,373 ABS were not produced

The Chair asked SPPA to share the TPR breach report with the board and to respond to the subgroup’s recommendations on how to improve its approach to data submissions. SPPA confirmed that the employers who had not submitted accurate data on time would be named in the report to TPR.

T0921.03	SPPA to share ABS breach report to TPR with board
T0921.04	SPPA to respond to subgroup’s recommendations on how to improve accuracy and timeliness of data submissions, and provide details of approach

GMP

The board discussed the GMP draft advisory letter and it was agreed further comments should be submitted to Governance team by close of play 7 September 2021 for consideration by GMP Project Manager.

Action points were updated as follows:

- T0521.01 2015 Remedy member communications - closed**
- T0521.04 KPI development - remains open**
- T0521.05 Priority projects - closed**
- T19.01 GMP communications - remains open, close by next meeting**

T22.09 KPI review - remains open

8. Pension Platform Programme

The Chair highlighted concerns around managing programme risks particularly around staffing changes and SPPA's open architecture approach.

A SCOTS server failure caused the SPPA attendees to drop off the Webex call for a short time during this discussion.

DR acknowledged the board's concerns, added that the Management Advisory Board had expressed its concerns regarding the implications for the agency of recent staff secondments to Scottish Government and explained the senior team were ensuring robust arrangements were in place to safeguard crucial projects through strong project management and procurement support. The programme board are scheduled to meet in late September 2021 to confirm procurement gateways are in place.

DR welcomed the Chair's offer to share comparative experience offline from a LGPS governance review with which may help with specific controls and processes to manage risks. The board expressed concern around the project risks and recommended SPPA not to take forward any actions which would put members and employers at risk. DR advised decisions taken would not jeopardise delivery to members and agreed to provide an update at the next scheduled call with Chairs and Vice Chairs.

The meeting paused for a 10-minute break and resumed at 11:51.

5. Customer Service

GMcG confirmed the training of the 41 new Pension Administrators who recently joined SPPA was going well. All staff will be consulted on SG's hybrid working arrangements and DR highlighted SPPA would adopt a cautious approach to returning to the office.

The board welcomed the customer feedback themes and requested future reports include evidence in the form of satisfaction rates. CS noted that the link to the customer survey is not obvious on the SPPA website and requested SPPA to consider making it easier to find.

T0921.05	SPPA to consider making customer survey easier to find and provide the board with the customer survey questions and number of completed surveys (not just %)
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SMcK requested further detail on the payroll output data be provided offline.

GMcG's connection was unstable so the update was paused until GMcG could rejoin.

7. Risk

The Chair confirmed risk work was generally progressing well and thanked the board for their input, and asked HG how the board could help to take this further. HG sought agreement of the amendments made following the board's feedback and advised fully populated risk registers would be available at the next meeting, with clarified scores for Pension Procurement programme.

The Chair expressed concern that the breach relating to employer contributions had not been recorded on the register and there was very limited information on the new breach relating to starters/leavers.

The board highlighted general data risk with management of common and conditional data should be noted on register; suggested SPPA may have breached as TPR require an annual review and requested SPPA's plans to address this.

T0921.06	The board asked SPPA to consider the lack of calculating TPR data standards to be a breach
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The board would like to see an annual data standards report and plan from SPPA.

T0921.07	The board requested an annual data standards report and plan from SPPA [to ensure compliance with TPR data management]
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The board requested a full report on starters/leavers letters issue outlining what went wrong, what action had been taken and whether SPPA will report to TPR.

The Chair reported to the board that SPPA had provided updates on the overpaid contributions issue since the last meeting to the chair and vice-chair. SPPA were in the process of taking corrective action and requested information on this and starter/ leavers letters issue. a full written reports for whole board to discuss on starter/leavers issue

T0921.08	The board requested a written report on overpaid contributions breach
T0921.09	The board requested a full written report on starters/leavers issue

Risk actions were updated as follows:

T0521.02 Breach log – Closed – log to be shared with Chair when revised

It was noted the data risk on risk register should remain open

5. Customer Service (continued)

The group resumed discussions on data quality and 'the chair highlighted to the board that SPPA have not been calculating data quality scores (Common Data and Scheme Specific Data) as required by The Pensions Regulator. GMcG reported that after requesting quotes for the work in 2018, the work was not progressed.'

It was agreed the Chair would liaise with SPPA to progress this further.

The Customer Service actions were updated as follows:

T0221.06 Ill health process – remains open

SPPA to provide written update of process, website update and improvements made.

T0521.03 Employer data – closed

It is noted that the request for data remains an ongoing requirement

T0521.06 Employer data/i-connect – remains open

The board awaits SPPA plans for alternatives to i-Connect

T1020.06 Absence rates – assigned to Op Ex

T15.03 ER charter – remains open

T19.01 GMP member communication – to be closed 07.09.2021

10. Policy

No further questions on IDRPs figures.

T8.11 Scheme Eligibility – remains open

Await HM Treasury agreement of proposals. When agreed, a change to regulations will be required.

6. Governance

The board requested training sessions be recorded to be available to all members afterwards and discussed the current limitations of MS Teams within SG.

The Chair outlined her hesitancy to take part in self-assessment exercise while awaiting SPPA's feedback on how effective the board is and what assistance SPPA would like from the board, before the board measures its own effectiveness.

SMacA acknowledged the board's terms of reference could be clearer with more explicit definitions of how the board can 'assist' SPPA; outlined need for an effective mechanism to measure board's effectiveness with tangible KPIs and metrics – e.g. IA review of corporate governance – and use of similar metrics to provide assurance on SPPA's compliance with TPR responsibilities.

It was agreed further discussion would be arranged offline to progress.

T1020.14 Board effectiveness – remains open

9. Data Protection & Information Assurance

The board agreed to delay consideration of cyber resilience paper until next meeting and SPPA confirmed a webinar would be scheduled for early 2022.

11. SAB

No questions were raised on the SAB minutes of 29 March 2021.

The Chair asked GW for clarification on paper 12, as there did not appear to be an issue with compliance with the law. GW confirmed SPPA content with member information available on phased retirement and opting out. SPPA confirmed they wished to request the Board's assistance in reviewing communications. Generally the board agreed the opt out numbers were low and phased retirement is at employer's discretion, however the board agreed to review website information available and send comments to CM to collate for the Chair. The board agreed it is not in its remit to review communications issued by employers to their staff and would, in any case, be extremely difficult given the significant number of employers involved in the scheme

T0921.10	Board members to review website information available to members on leaving the scheme and applying for phased retirement. Comments to be sent to SPPAGovernance@gov.scot by 14 October 2021
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JC raised the broader issue of a more proactive communication strategy for members.

12. Board responsibilities

The board agreed all non-green issues had been covered during previous updates.

13. Board annual report

Board members commented on the draft and it was agreed that references to the working group and Goodwin would be added. Board members were also requested to review the records of their training and provide amendments. The board agreed final amendments could be approved by the Chair and the report published.

T0921.11	Board members to review the records of their training and provide amendments.
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14. AOCB

It was noted the Chair had received feedback on the length and technical nature of the papers and the board agreed this issue can be picked up through the board effectiveness review, along with discussions on the purpose of the board.

15. Arrangements for the next meeting

The next meeting will be held virtually at 10:00 on 11 November 2021 and SMacA confirmed the progress will be shared with the board on SG's evolving hybrid model. The board expressed its strong preference to meet in person for the next meeting, given that it had been over 18 months since our last such meeting and

also the difficulties of conducting board business when interruptions occur, as encountered today.

Summary of new actions:

Action No.	Page	Action
T0921.01	3	SPPA to advise if/how it is proactively contacting eligible members who were not provided with a ABS
T0921.02	3	SPPA to provide clarification on the why the remaining 2,373 ABS were not produced
T0921.03	3	SPPA to share ABS breach report to TPR with board
T0921.04	3	SPPA to respond to subgroup's recommendations on how to improve accuracy and timeliness of data submissions, and provide details of approach
T0921.05	4	SPPA to consider making customer survey easier to find and provide the board with the customer survey questions and number of completed surveys (not just %)
T0921.06	4	The board asked SPPA to consider the lack of calculating TPR data standards to be a breach
T0921.07	4	The board requested an annual data standards report and plan from SPPA [to ensure compliance with TPR data management]
T0921.08	5	The board requested a written report on overpaid contributions breach
T0921.09	5	The board requested a full written report on starters/leavers issue
T0921.10	5	Board members to review website information available to members on leaving the scheme and applying for phased retirement. Comments to be sent to SPPAGovernance@gov.scot by 14 October 2021
T0921.11	7	Board members to review the records of their training and provide amendments.