



**Attendees:**

Brian Barbour (BB)	Chair
Mark Cook (MC)	Vice Chair
David McColl (DMcC)	Board Member
Gordon McKay (GM)	Board Member
Kay Sandilands (KS)	Board Member
Tom Wilson (TW)	Board Member
David Robb (DR)	SPPA Interim Chief Executive
Rachel Miller (RM)	SPPA Head of Operational Excellence (Interim)
Dev Dey (DD)	SPPA Head of Customer Services
Karen Morley (KM)	SPPA Head of Finance
Hannah Grout (HG)	SPPA Risk and Assurance Manager
Phil Heywood (PH)	SPPA Pension Platform Programme Director
Kenneth Smith (KS)	SPPA Practitioner Senior Project Manager
Stuart MacArthur (SMacA)	SPPA Governance Manager
Molly Wyllie (MW)	SPPA Governance Lead - minutes

**Apologies:**

Craig Black	Board Member
Claire Pullar	Board Member
Graeme Eunson	Board Member
Sally Patterson	SPPA Customer Services Manager

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

BB welcomed everyone to the meeting

DR, introduced himself to Board members and advised that his main priority as Interim Chief Executive was to provide stability for the Agency, with a strong focus on operational performance. DR commented that performance had held up, despite the difficulties experienced over the last year. DR confirmed that the process of recruiting a permanent Chief Executive was underway. DR also advised the Board that Tom Nash, Head of Regulatory Affairs would be leaving the Agency in August 2021. This post would be filled on an interim basis. DR stated that work was underway to review how staff would return to the office and would be undertaken in line with SG guidance.

BB advised he was now a director of the SLA Pension Trustee Company Ltd. . KS advised that she was a member of the Scottish NHS Scheme Advisory Board. No other conflicts of interest were declared.

BB advised that a member nomination had been received to fill a current vacancy and that this was currently under review due to a potential conflict of interest

## **2.1 Draft Minutes and Action Points from previous meeting and updates**

Minutes from the meeting on 4 May 2021 were adopted. BB reminded members that a decision had been made previously to circulate and approve minutes electronically so that they could be published earlier rather than waiting for the next Board Meeting. Post meeting note: This places an onus on members to review the draft minutes and provide timely feedback.

## **2.2 Action Points**

The action points were reviewed and the following noted:

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- N23.05: information provided in paper 3.1 – action closed
- N24.02: action closed
- N1220.01: information provided in paper 3.1 – action closed
- N1220.03: information provided in paper 3.1 – action closed
- N0221.02: action closed
- N0221.02: action closed
- N0521.03: remains open
- N0521.04: action closed
- N0521.05: action closed
- N0521.06: action closed
- N0521.07: action closed
- N0221.08: action closed

## **3. Operational Excellence Update**

RM advised that the current interim structure would remain in place until December 2021. This would mean that Operational Excellence would continue with the work already in progress. To support this, Kenneth Smith had been engaged as Practitioners Project Manager.

### **3.1 Priorities**

RM advised that the team had three main priorities:

1. Continued development of management and business information (MI) and key performance indicators. This was being supported by the development of the Management Information Strategy and how this information was reported via dashboards. A Planning Manager, Business Analysts and Business Scientists would be recruited to take this work forward.
2. The Project Management Framework was nearing completion and would be launched soon.
3. Ensuring resources were in place was a priority and RM asked the Board to note that appointments would be long term.

MC asked that, accepting there are gaps that require recruitment, how will the timeline of these recruitments, and the time a new start will take to assimilate the virtual environment, impact projects? RM advised that a Change and Delivery Manager would be appointed to work with Project Managers on the Framework and would liaise across all projects, however this may take time to establish. DMcC commented that Customer Service (CS)

MI was likely to increase over the next year. RM confirmed that the document was a demonstration of what was used and did not reflect the more detailed information available, which allowed for deeper trend analysis. RM advised that the current set of MI was reported to SLT weekly, which allowed CS to spot trends and resource areas appropriately.

BB asked if Member Self Service (MSS) would be developed further for NHS members. RM advised that this was not a priority at this time and that members had access to the Pension Self Service Platform, Pulsion. BB asked again if a paper detailing the issues around further development of MSS for NHS members could be provided to the Board. BB stressed that it was important for member service, and for the SPPA efficiency targets, to enable self service as fast as practical.

## 3.2 Summary of Projects

### 3.2.1 Annual Pension Increase

RM confirmed that the 2021 pension increase had been successfully delivered. The final element of payment of the deferred lump sums would be completed as a supplementary payment along with July pension payments to the members affected. This project would now be closed and the team would commence work for 2022.

### 3.2.2 Altair

Recent upgrades to the pensions administration system had been completed successfully. A change to the release management and testing practices had provided good results.

### 3.2.3 Valuations

RM explained that this is a four-year exercise and that the required data had been shared with GAD. The proposal was to undertake this work annually, which would allow better management of data.

### 3.2.4 Pulsion Server Migration

RM advised that this system would move to using the Cloud facility.

### 3.2.5 Epicor

RM advised that this was a system used by the Finance team to receive contributions and payments. A review had been undertaken to agree the best solution to upgrade this system and it was hoped that work would commence in autumn 2021.

### 3.2.6 Goodwin Remedy

RM explained the background to the work and advised that a Project Manager was in place. Customer Services had already started related casework.

### 3.2.7 2015 Remedy

RM advised that six staff would join the team, with backfill being funded by the project. A Communications Lead had also been appointed.

### 3.2.8 ABS/AA

RM confirmed that the project was on track to deliver statements by the deadline dates. DMcC asked for clarification about eligibility as some members had been forced to opt out for tax reasons. RM confirmed that members can ask for a statement. DMcC also a Pension Savings Statement should be made available for all members. RM agreed to investigate if that would be possible and how many members would be involved. The project also agreed to provide an update to the Board on ABS progress by the middle of August.

N0721.01	RM to investigate the feasibility of providing - Pension Saving Statements automatically for members and the numbers involved
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	Second action re ABS (which has since been completed and can be closed)
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### 3.3 Practitioner Funding Project

KS advised that a further data cut had been taken in May/June 2021. This was used to provide a more accurate picture of the categories of members. Figures had been sent to Government Actuaries Department, but a timeline for response had not yet been established. A legal opinion had been obtained from Scottish Government Legal Department, which allowed SPPA to identify case numbers involved and when the SPPA or the Employer - would be responsible for actioning rectification. KS confirmed that priority would be given to those members who had the largest discrepancy. For members who had underfunded, SPPA/employers would provide options for repayment.

KS advised that, to allow SPPA to handle call volumes, a staggered release of letters would be issued to members in October/November. SPPA were also engaging with employers regarding communications for members. KS advised that NHS Lanarkshire had volunteered to work with SPPA. BB asked what impact 'write offs' in cases over 5 years, would have on the scheme. KS advised that an options paper would be submitted to the SPPA Senior Leadership Team (SLT) for discussion and to agree actions.

BB asked if the December 2021 date for completion was achievable. KS confirmed that the next data cut would be final. This would allow SPPA to meet the deadline. BB asked that the Board be updated when this was done, along with a breakdown of the spread of over and under payments

BB asked for clarification on when the 5 year period commences, what deminimus level would be used and whether there would be flexibility. GMcK commented that in fairness to members, notifications should not be staggered. Following discussion, it was agreed that an update would be provided at the next meeting. GMcK also asked what the ultimate cash total was, or an estimate, of what has had to be written off from the day SPPA became aware of the issue, to the day members were notified.

N0721.02	KS to provide report to the Board outlining the impact on members, how the write-offs would be funded, and the plan for rectification of over and underpayments
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### 4. Customer Service Update

DD explained that Customer Service (CS) update format had been changed to include a textual analysis of the data. DD advised that 41 new staff had been recruited and would be joining SPPA over the summer period.

DD highlighted the following areas:

- new awards accuracy had improved in quarter one
- resources had been move to assist with transfers. The team were working with counterparts in England & Wales to improve best practice
- to deliver higher rate of first time resolution, the contact centre had moved to dealing with scheme specific enquiries
- plan in place to re-open the contact centre 9.00 am to 5.00 pm
- customer satisfaction rate had improved

- no trends related to complaints received
- the Partnership Manager's role would not be filled as a priority to improve stakeholder engagement

DMcC commented that the on-line calculator should be amended to advise members that it does not apply to NHS Practitioners. TW commented that consideration should be given to expanding the opening times for enquiries to accommodate shift workers. DD confirmed that expanding the contact centre was under consideration and that providing quality engagement with members was important.

BB recognised the progress on new awards accuracy but stressed that it was a fundamental requirement for the SPPA that new members received their first payment correctly and on time.

Discussion followed regarding call answering and wait times. It was noted that the Board should have input to MI and what was reported, and that the Board should be party to any discussion to change target call answer times.

N0721.03	SPPA to consult with the Board about its MI requirements.
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Break – 11.27 to 11.35 am

## 5. Finance, Risk & Assurance Update

### *Finance*

HG advised that the NHS Pension Scheme Annual Report and Accounts would be sent to Audit Scotland before being signed off.

### *Risk & Assurance*

HG thanked Board members for taking part in the recent Risk meeting. The risk register and heat maps had taken account of the discussions at the meeting. BB commented that the heat maps were welcomed. Following discussion, Hannah agreed to work with MC as vice-chair to create a board-specific risk register for the NHS Pension Board.

N0721.04	HG to contact MC to create a board-specific risk register for the NHS Pension Board.
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## 6. Pension Platform Programme

PH advised that the paper provided contained a summary of actions and dates from June 2020, when the programme commenced, to date.

PH advised that the current status was noted as 'red'. This was due to a number of factors:

- Gateway 0 Review – the review undertaken in June 2021 rate the programme as amber/red, highlighting a variety of actions to complete
- Commercial and Procurement Manager resignation in June 2021 had an immediate impact on the programmes ability to complete the Invitation to Tender. A replacement was being sought
- The SPPA Head of Regulatory Affairs resignation

BB asked if the extended contract with the current provider would be sufficient and the level of confidence that the project would remain on track. PH advised that SPPA had

three years to complete the platform migration, plus 6 months contingency, plus a further 12 months variation. DR was confident that the launch would go ahead in November 2021. Following further discussion, BB offered the Board's support to the project, and suggested that like the Altair improvement programme, the project consider appointing a non-executive "critical friend" as happened with the Altair improvement programme. .

N0721.05	SPPA to consider appointing non-executive 'critical friend' to the Pension Platform Project Board
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## 7. Data Protection and Information Assurance

SMacA advised that the Head of Security was not available for the meeting. Any questions raised would be referred to Head of Security to respond. BB and MC requested detail of penetration testing and ransomware risks, to be sent directly to board members.

N0721.06	SPPA to provide security update directly to board members
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## 8. Policy IDRP Update

GW advised that, as with other departments within SPPA, the pandemic, working from home and resourcing had had an impact on the clearance of dispute cases. This had resulted in 11 cases remaining to be cleared. Members involved had been kept advised of the progress throughout.

## 9. Governance Update

SMacA noted that the outcome of The Pensions Regulator's consultation regarding the changes proposed to the Code of Practice were expected by the end of 2021.

DR noted that the SPPA Framework document had recently been approved by the Minister and would be published on the website.

BB suggested that it would be beneficial for all Pension Board members to meet and asked if SPPA would consider arranging this early in 2022.

N0721.07	SMacA to consider arranging a meeting for all Pension Board members early in 2022
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## 10. Horizon Scanning

No items were raised.

## 11. AOCB

11.1 GMcK asked if the Board could get an update on employment processes as concerned about number of people in senior positions leaving at short notice. DR advised that at present, within SPPA, there were a number of employment contracts which could lead to this and that this was under consideration.

11.2 DMcC asked that further detailed information be provided regarding the 2015 Remedy and the impact for retired members, or those about to retire. DR confirmed that

the team would be strengthened as noted in the Operational Excellence paper and further information would be provided as it became available.

N0721.08	SPPA to provide further detailed information regarding the impact of the 2015 Remedy on retired members or those about to retire
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## 12. Date of the next meeting

Next meeting scheduled for 2 November 2021. Likely to be a virtual meeting, but confirmation will be provided.

No other business was raised. BB thanked everyone for their attendance and closed the meeting.

### Summary of new actions:

Action No.	Action	Assigned	Target Completion Date
N0721.01	RM to investigate if it was possible to provide Pension Saving Statements for members and the numbers involved	RM	Asap
N0721.02	KS to provide report to the Board outlining the impact on members, how the write-offs would be funded, and the plan for rectification of over and underpayments	KS	When known
N0721.03	SPPA to consult the Board about what MI they require and how this is reported	RM	asap
N0721.04	HG to contact MC to create a board-specific risk register for the NHS Pension Board.	HG	End August
N0721.05	SPPA to consider appointing non-executive 'critical friend' to the Pension Platform Project Board	PH	asap
N0721.06	SPPA to provide security update directly to board members	JS	asap
N0721.07	SMacA to consider arranging a meeting for all Pension Board members early in 2022	SMacA	Next meeting
N0721.08	SPPA to provide further detailed information regarding the impact of the 2015 Remedy on retired members or those about to retire	KS	When known

**These minutes were approved on 18 October 2021 as a correct record of the meeting held on 24 July 2021.**