Meeting	Management Advisory Board
Meeting date	03 August 2021
Meeting time	13:00-15:00
Meeting location	MS Teams

Members in attendance	Mark Adderley	Non-executive Board Member
	Ian Forbes	Non-executive Board Member
	Liz Holmes	Non-executive Board Member
	Helen Mackenzie	Non-executive Board Member
	Jane Malcolm	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
Other attendees	David Robb	Chair, Interim Chief Executive
	Iain Coltman	Policy Manager
	Garry Cossar	Head of Colleague Experience
	Lesley Fraser (items 1-10)	Director General: Corporate
	Hannah Grout	Risk and Assurance Manager
	Phil Heywood	Programme Manager, Pension Platform Programme
	Stuart MacArthur	Governance Manager
	Rachel Miller	Head of Operational Excellence
	Andre Morelli	Head of Digital and IT
	Karen Morley	Head of Finance, Procurement and Risk
	Sally Patterson	Customer Services Manager
Apologies	Dev Dey	Head of Customer Services
	Tom Nash	Head of Regulatory Affairs
Minute taker	Marnie Davis Wood	Governance Delivery Lead

1.   Welcome and apologies

1.1   Apologies were received from Dev Dey and Tom Nash.

1.2   The Chair welcomed Sally Patterson, deputising for Dev Dey, and Iain Coltman, deputising for Tom Nash.

2.   Declaration of interests

2.1   There were no changes to the Register of Interests nor were there any declarations of interest in the business to be conducted.

3.   Previous Meeting

3.1   The committee agreed that the minutes of the previous meeting were a true and correct record, pending some typographical errors being corrected, which Liz Holmes would send to the secretary following the meeting, and the following change to be made to the minute on page 3:

HM expressed concern that good governance could be impacted due to the absence of the Chief Executive who is also the chair of the Board.

3.2   Members reviewed the action tracker. The following actions were approved for closure, some of which were closed during the meeting:

MAB 1020.02   ABS Checklist Controls
MAB 0121.01   Chief Executive written report to MAB
MAB 0421.01   Chief Executive recruitment
MAB 0421.03   Circulate ABS report
MAB 0421.05   Research SG Customer Journey
MAB 0421.07   Circulate CSA Report
MAB 0421.08   Return to office update

Action MAB 0821.01
Arrange an hour-long workshop for a Risk Deep Dive. (HG/MDW)

It was noted that actions should remain on the tracker until they no longer need attention from MAB, and they could be marked as 'in progress' to provide a status update.

Action MAB 0821.02
Add an 'in progress' category to the Action Tracker RAG column

4.   Director General: Corporate – SG Update
4.1   Lesley Fraser (LF) updated the Board on the timeline for recruitment of a new Chief Executive and thanked David Robb (DR) for his work in the interim, confirming that there will be a transition plan to the new Chief Executive when appointed. Benchmarking of the role description had taken place, and the Board discussed contingencies should an appointment not be made in the first instance and transition planning.

4.2   LF informed the Board that the next budget round would be challenging in the aftermath of COVID-19, Brexit, and the continuation of the pandemic response. A multi-year spending review was also due to take place.

4.3   LF confirmed that the return to office handbook had been published, providing guidance to all of Scottish Government (SG) on the practicalities of establishing a hybrid working model following the COVID-19 working from home period.

5.   Interim Chief Executive Report
5.1   The Board noted the report and discussed the following:
- Issues raised by Pension Boards, including increased confidence in Management Information and concern about leadership stability;
- The digital fellowship programme;
- Transformation in SPPA.

6.   Audit and Risk Committee (ARC) Annual Report
6.1   Helen Mackenzie (HM) introduced the report for discussion, highlighting the issue of transition risk, particularly at senior leadership level. The Board noted the lack of absolute assurance provided. LF confirmed that the SG noted the points in the report relating to the SG response to leadership change at SPPA, and stated that SG was committed to assisting the committee with assurance activity in the future.

6.2   The Board requested that the Audit and Risk Committee receive an update on the lessons learned from the review of the Annual Benefit Statement incident in 2020.

Action 0821.03
Hannah Grout to provide a report to the next regular ARC meeting, demonstrating that the actions identified in the ABS incident report have been completed.

6.3 The Board discussed staffing challenges and the need for thorough workforce planning, noting that Internal Audit were in the early stages of a Capacity and Capability Review.

6.4 Karen Morley (KM) reported to the Board that two instances of fraud had been identified and had been reported to the Chair of ARC on 27 July 2021. These will be disclosed as appropriate in the Annual Report and Accounts.

6.5 HM requested on behalf of ARC that should LF not be able to attend committee meetings as the Fraser Figure, a deputy attend.

7. Agency Annual Report and Accounts – Progress Update

7.1 KM reported that the Annual Report and Accounts had been delivered to Audit Scotland ahead of last year's timescale, and that the audit is in progress, with no matters of consequence arising, but minor matters arising to address. Work is continuing on ensuring processes are in place to evidence performance measures as well as financial measures.

8. Head of Finance, Procurement and Risk Report

8.1 KM introduced the report and the following was discussed:
- Fraud cases mentioned previously;
- Staffing resource plan agreed by the Senior Leadership Team (SLT);
- Focus on addressing the fiscal risk of scheme finances as well as operational budgets;
- Capability building across the agency;
- The agreement in principle to the expansion of the risk and control management team to address the primary risk identified to the delivery of the Agency's business plan.

9. Pensions Platform Programme Update

9.1 Phil Heywood introduced the report to the Board. The red RAG status of the project, related to the procurement manager recruitment, was discussed. LF confirmed that the SG procurement division was in a position to support the Agency if needed; some of this support was already in place.

10. 2015 Remedy Project Update

10.1 Andre Morelli introduced the report. Discussion focussed on:
- Staffing changes;
- The appointment of Ian Forbes (IF) as a critical friend to the project;
- Immediate detriment;
- Concerns from Police stakeholders;
- Single solution technology;
- Alignment to Guaranteed Medium Pension processes;
- Networks and working groups in which the Agency is involved.

11. Department Updates

11.1 Update reports were received from the following departments and discussed as follows:
- Colleague Experience
- Customer Service
- Operational Excellence
- Regulatory Affairs
- Digital & IT

11.2 The Board discussed the following in relation to the reports:
- Immediate detriment;
- Return to office, with hybrid working arrangements;
- The length of the on-boarding process for new staff;

- Continuing improvements to management information;
- A significant rise in teachers' retirements on 2020 figures, impacting the summer peak;
- On-track status of the ABS project;
- The Pensions Regulator Code of Practice update, which is yet to be released following consultation on the draft;
- File clean-up of the G-drive;
- Expansion of capacity in the IT team through recruitment;
- IT cyber security and application health checks;

Action 0821.04:
IF to provide advice to the Digital Transformation and IT Operations team in relation to the G-drive file clean-up.

11.3   The Board discussed the presentation of reports and considered the colour-coding of issues in the papers to be useful for guiding the focus of the discussion.

Action 0821.05
Consider including colour coding/scorecard against objectives in the department reporting template (Governance Team).

12.   Annual MAB/ARC Self-Assessment Exercise
12.1   Stuart MacArthur presented to the Board the outcomes of the annual Board Effectiveness Self-Assessment exercise. The Board accepted the recommendations in the report, discussing:
- The need for better alignment of the Board meeting calendar to agency business;
- The need for improved performance reporting, including objectives, targets and progress;
- The length of meetings, given the Agency is in transformation mode;
- Prioritisation of agenda items and the need for these to be driven by the Senior Leadership Team;
- The role of the Chair, which requires further consideration.

Action 0821.06
Increase meeting time for the remainder of 2021 and 2022 to three hours (Governance Team).

Action 0821.07
Review agenda template to include prioritisation of items (Governance Team).

Action 0821.08
Consider a longer gap between ARC and MAB meetings to allow ARC to input into MAB agenda prioritisation.

13.   AOB

The Board discussed the issue raised under Action 0421.02 of whether the MAB should be chaired by the SPPA Chief Executive. It was noted that the position from internal audit was that this is allowed for under SG guidance and that this arrangement is 'business as usual'. However, if management conclude that it would be in the organisation's best interests for this role to be split, there is guidance on how the respective duties could best be divided. This issue will be considered further and remains open.

Version Control		
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