

Building a Better SPPA

Our Corporate Plan

2022-27



Our Purpose

Effectively administer pensions and support over half a million of Scotland's key workers – paying pensions accurately and on time.

Our Vision

We will help protect our members' financial futures by giving them greater understanding and control of their pension.

What's inside

Page 4: Chief Executive foreword

Page 6: Building a Better SPPA

Page 15: The why

Page 19: The what

Page 22: The how

Page 23: Roadmap

Chief Executive foreword



David Robb

Chief Executive

Building a Better SPPA every day

I'd firstly like to thank all of our people at the SPPA for their commitment to our customers and for continuing to deliver successful pension administration in a challenging environment. Our people are our greatest asset and their dedication during the last couple of unprecedented years for the Agency has been impressive – with changes to our ways of working enforced by the pandemic, an interim structure and operational challenges.

Platform for sustainable improvement

I am pleased 2021-22 ended with more stability than it began. This stability is the platform for our sustainable improvement plan that will set us up to deliver an improved customer service, improved capability through developing our people and a clearer return on the investment for the Scottish Government and the taxpayer. I am confident that we as a team are already moving quickly in the right direction.

Better value for our members

Strong teams that grow sustainably provide consistently better value. For us this means better value for our members, their families and the people of Scotland. We are now in the process of delivering this by strengthening our capability and making clear operational improvements. We are also focusing on how we can always pay pensions accurately and on time and give back more control to our members.

That can only be done by continuing to work in collaboration – spending time with our members, Pension Boards, Management Advisory Board and leveraging the vast skills and digital capability on hand as a Scottish Government. For us to deliver something bigger, we have to be part of something bigger as we prepare to serve our members into the future.

That is why it is important we reposition who we are - to better meet the needs of those who rely on us the most, while harnessing the skills and experience of all our talented people. **(continued on page 5)**

Chief Executive foreword

(continued) In preparing this new Corporate Plan our goal was to form a realistic picture of our strengths and weaknesses and ensure that the Agency promotes transparency in both areas so that we recognise and build on our success and take a proactive approach to being better in the areas that have been most challenging.

A proud heritage

It is a privilege to lead this great Agency, with talented, dedicated people, a proud heritage and a real desire to provide a better service to over 500,000 of Scotland's key workers. We have also been at the forefront of developing and delivering key pensions policy in Scotland for over 20 years and will continue to meet new challenges as they arise. We also recognise, however, that our future strategy has not always been consistent and, as pensions have become more complex through scheme diversification, we have not been able to move our technology or ways of working along at a pace that we all would have hoped for.

With further significant change on the horizon, we are now firmly focused on seizing the opportunity to make improvements.

Our systems re-procurement provides the perfect opportunity to embrace better digital technology and to modernise processes.

Resetting our strategy

The strategy we are now setting out will address these challenges and make the most of the opportunities that lie in front of us.

To do this we have set ourselves clear and ambitious Strategic Aims and Priorities aligned to our ways of working and vision.

These will improve how we work, provide clearer value for money and enhance our service to the people of Scotland. I look forward to making progress and would very much welcome your feedback and support as we set the Scottish Public Pensions Agency up for long-term success.

David Robb, March 2022



Building a Better
SPPA

**The
why**

- Scheme diversification
- Out of date technology
- Regulatory change
- Capability/Capacity challenges
- Operational instability
- Changing strategic priorities

Where we've come from

Direction of travel

- Strengthen our capability
- Give our members more control
- Focus on data quality and security
- Recognise success
- Clear operational improvements
- Reduce complexity

Deliver better value for our members
and the people of Scotland

Building a Better SPPA

The how (re)defining our Purpose

We have created a new purpose aligned to who we are and what we do for our members, our people, our key stakeholders and the people of Scotland.



What we do

The Scottish Public Pensions Agency (SPPA) is an Executive Agency of the Scottish Government. We administer pensions on behalf of the Scottish Government for employees of the National Health Service in Scotland, for Teachers, the Police and Firefighters.

We support this core responsibility by:

- Developing the regulations covering the National Health Service Superannuation Scheme (Scotland) (NHSSS), Scottish Teachers' Superannuation Scheme (STSS), Police and Firefighters pension Schemes in Scotland.
- Being a national centre for the administration of public pensions and the provision of policy advice.
- Developing the regulations for Scotland's Local Government Pension Scheme.
- Providing pension administration services to third parties on a contract basis. Current customers include the Scottish Parliamentary Pension Scheme and the Legal Aid Board for Scotland.
- Administering, on behalf of the Scottish Ministers, the public service pension, premature retirement compensation and injury benefit schemes for which the Scottish Ministers have administrative responsibility.
- Preparing, in accordance with government policy, the regulations governing these and other schemes for which the Scottish Ministers have regulatory responsibility.
- Following regulatory guidance and codes of practice issued by The UK Pensions Regulator in observance of its powers under the Pensions Act 2004.
- Advising the Scottish Ministers on public sector pensions policy.

Our Purpose

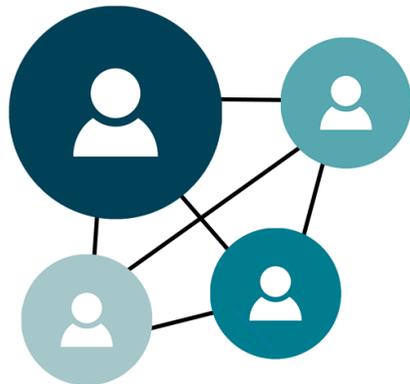
Effectively administer pensions and support over half a million of Scotland's key workers – paying pensions accurately and on time.



Building a Better SPPA

The why

- **People**
- Performance
- Place



1. Our members: Scheme member expectations are evolving in response to new technology. Understanding these changes is an important challenge for the Agency. We need to better align our processes with the needs of our members and to do so cost effectively. We will focus on this being a priority as we increase our member engagement agenda.

2. Our people: The permanent leadership structure now in place will provide stability, improvement and better clarity on roles and responsibilities, specifically senior level accountability. To reduce key person dependency and improve succession planning, the Executive Team will be supported by a wider Leadership Group.

Our new structure has four key business areas:

- Operations
- People, Strategy and Communications
- Finance, Procurement and Risk
- Policy

3. Our key stakeholders: We have a Management Advisory Board, Audit and Risk Committee, Pension Boards, Scheme Advisory Boards and support from the Scottish Government. We will bring the outside in to everything we do. Improved engagement and collaborative working will make us a more effective Agency with a better understanding of how to meet the needs of those who matter most, whilst developing our thinking on what we can do more, better, differently, less or the same.



Building a Better SPPA

The why

- People
- **Performance**
- Place



What we do matters

We are responsible for helping to protect the financial futures of around 500,000 key workers in Scotland (roughly 1 in 10 people in the country) and have an annual financial accountability of over £6 billion. Being able to effectively measure our performance to inform better and more timely strategic decision making is key to delivering a better SPPA both now and in the future.

Regulatory change

The 2015 'McCloud' Remedy will lead to considerable changes to our processes and ways of working. This is a landmark regulatory change for pensions administration and we will focus considerable attention on being well prepared to deliver the Remedy requirements.

Benchmarking

Listening to what our members and our people expect from us has made it clear – we need to measure what is important and what will make a difference. That means having a clear understanding of our performance now - and where we want to be - will enable us to monitor our progress to ensure we are meeting our strategic aims and priorities. Accurate benchmarking will enable us to:

- Understand how we compare to other public bodies and administrators
- Set clear goals
- Prioritise the areas that need improvement
- Track the progress of our goals

We will improve by bringing more of our stakeholders (including fellow Scottish Government delivery bodies) into our planning discussions and taking action quickly and more effectively.

Building a Better SPPA

The why

- People
- **Performance**
- Place

National Performance Framework

As an Agency of the Scottish Government, we are fully committed to delivery in line with the National Performance Framework (below) which aims to create a more successful country with opportunities for all of Scotland to flourish.

We also adhere to the framework values of treating people with kindness, dignity and compassion, respecting the rule of law and acting in an open and transparent way.



Building a Better SPPA

The why

- People
- **Performance**
- Place

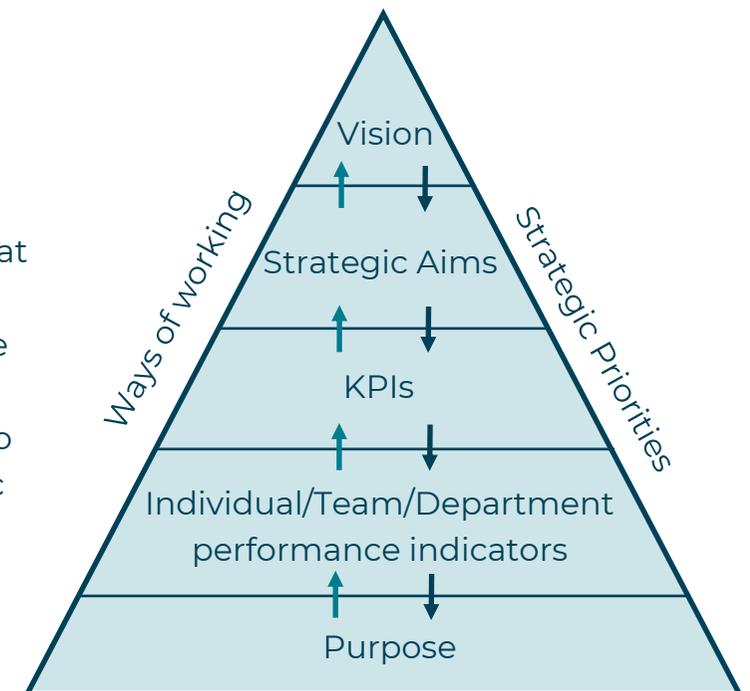
Our business plans are aligned with the outcomes and measures of the framework to ensure that we are able to monitor how our progress is contributing to the national outcomes and the people of Scotland.

Another step change is that our Agency KPIs are now multi dimensional touching on all areas of the Agency. Feedback from our people and key stakeholders found our objectives to be too narrow and this had a detrimental effect on performance management reporting, development, and for our people, understanding the basic question... 'how are we performing?'

To address this we have created KPIs that every one of our people can impact. These will be supported by performance indicators which will provide effective monitoring of our performance linked to our Agency vision, mission and strategic aims.

Our Strategic Aims and Priorities will set out the what, but our new performance rhythm will provide us with the timely indicators as part of our annual business plan which will ensure that as we progress through 2022/23 we remain on track with our overall corporate vision.

How we link this together is shown below.



Building a Better SPPA

The why

- People
- Performance
- **Place**

Although we are based in Galashiels, we have through necessity evolved into a hybrid working Agency and we're now ready to move forward to embrace this longer term.

What is hybrid working?

Hybrid working is when we blend office and home working. The Covid-19 pandemic has meant that this has been widely adopted across the Scottish Government (and throughout different industries). As the pandemic continued, many tools and processes were introduced to improve the home working environment and this has meant that hybrid working is now recognised as a lasting way of working.



Why we do it

Throughout the pandemic and beyond, the safety of our people will always be our number one priority. We want every person who works at the SPPA to feel equipped and empowered to adopt a more flexible approach to work - one that better meets the needs of our people and the needs of this business, whilst continuing to take every step possible to stay safe. At the SPPA we want to create a hybrid working environment that sets our people up for success, promotes collaboration and maintains safety, whilst promoting wellbeing in the workplace.

Building a Better
SPPA

**The
what**

Building a better
SPPA

The what

Our Strategic Aims

Deliver excellent services for our members

Build our capability
and become an
employer of choice

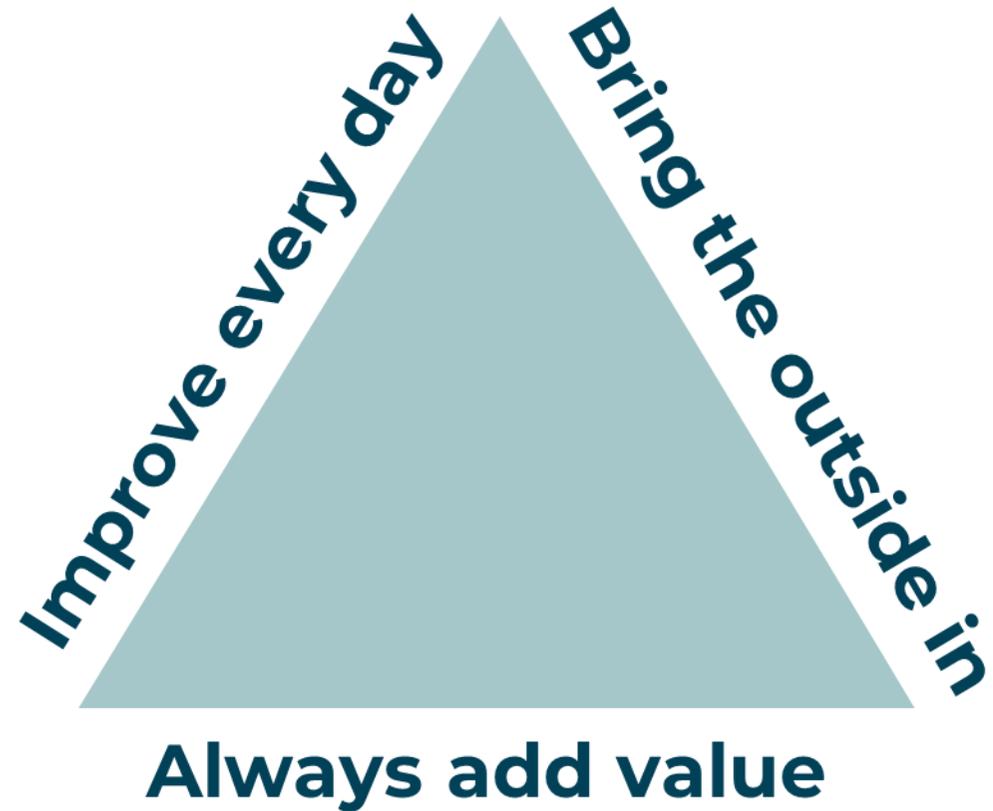
Be change positive

Be proud of our
workplace

Building a better
SPPA

The what

Our Ways of Working



Our Vision

We will help protect our members' financial futures by giving them greater understanding and control of their pension.



Building a Better
SPPA

**The
how**

Building a Better SPPA

The how

We are listening

We better understand our workflows

We are thinking differently

We are buying in to the future

We are listening

When we started creating our plan, we took the time to listen to our people and understand how we each contribute to our purpose. This provided the context of what the Agency of today looks like as a 'starting point' for our improvements – we re-established 'what matters most'.

We better understand our workflows

We spoke to people to understand our processes and technology limitations, and we started to map out how they do their jobs and the challenges they face. This put us in a place to understand the limitations we face, begin to detail the business processes upstream and downstream, and how to make our whole workflow better.

We are thinking differently

Once we understood the business processes, we reviewed how these processes impact our users by reaching out to our members and key stakeholders to gain their thoughts on what a better SPPA would look like.

This meant we could:

- Have a clear view of how our current state and existing projects are perceived

- Share ideas collaboratively
- Develop future ways of working
- Ensure our 'future' thinking ideas are not limited by our existing technology provision.

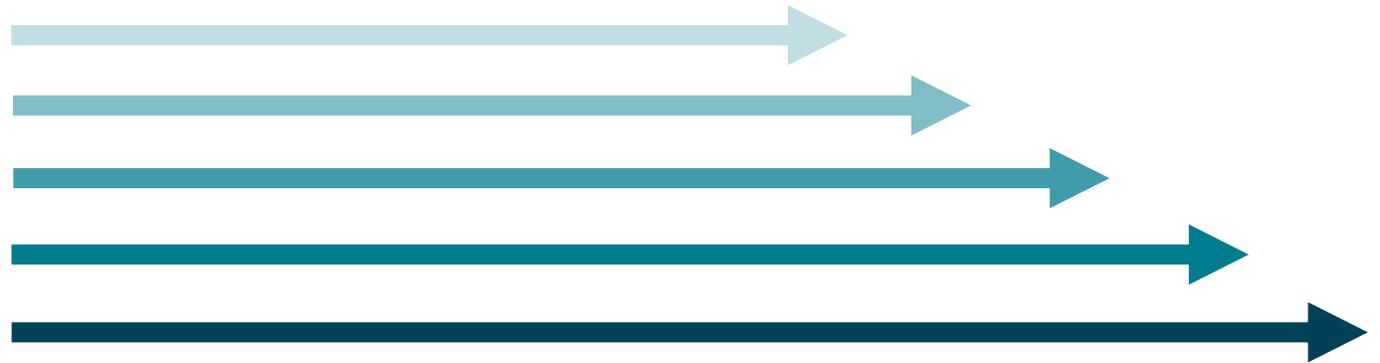
We are buying into the future

We need to show how you make the vision become a permanent experience. To influence the Agency to follow through and commit to the strategy, we broke down the vision into business priorities that will define the 'how' and strategic aims that become the 'what'.

To bring this to life we have also committed to an improved rolling corporate planning cycle with a yearly plan in place and quarterly updates shared with our Management Advisory Board, Audit and Risk Committee and Pension Boards as part our commitment to 'bring the outside in'. This will allow us to review delivery against our Aims and Priorities, listen to feedback from our people and members, and continue to improve every day.

Building a Better SPPA

The how



Set outcomes: We have clear and purposeful priorities, Vision and Aims constructed by those who matter most.

Create a clear story: Our people understand, are motivated and empowered to deliver.

Changes in behaviours: We think differently and change what we do.

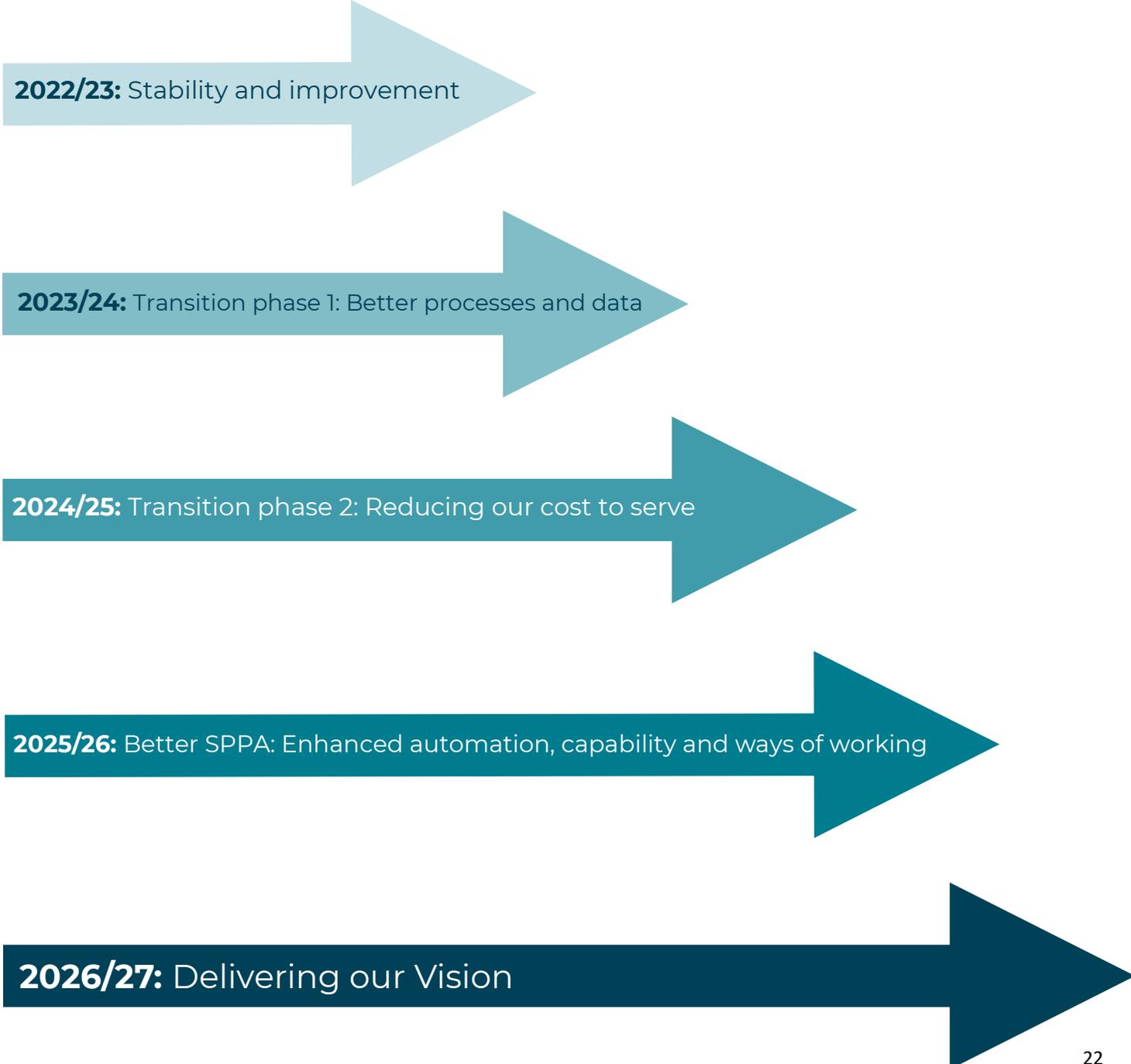
Measured success: We can see and feel improvement.

Delivering the Vision

Building a Better SPPA

Our roadmap

Our roadmap takes us on a journey to stabilise, improve, and deliver on our vision.



2022/23: Stability and improvement

2023/24: Transition phase 1: Better processes and data

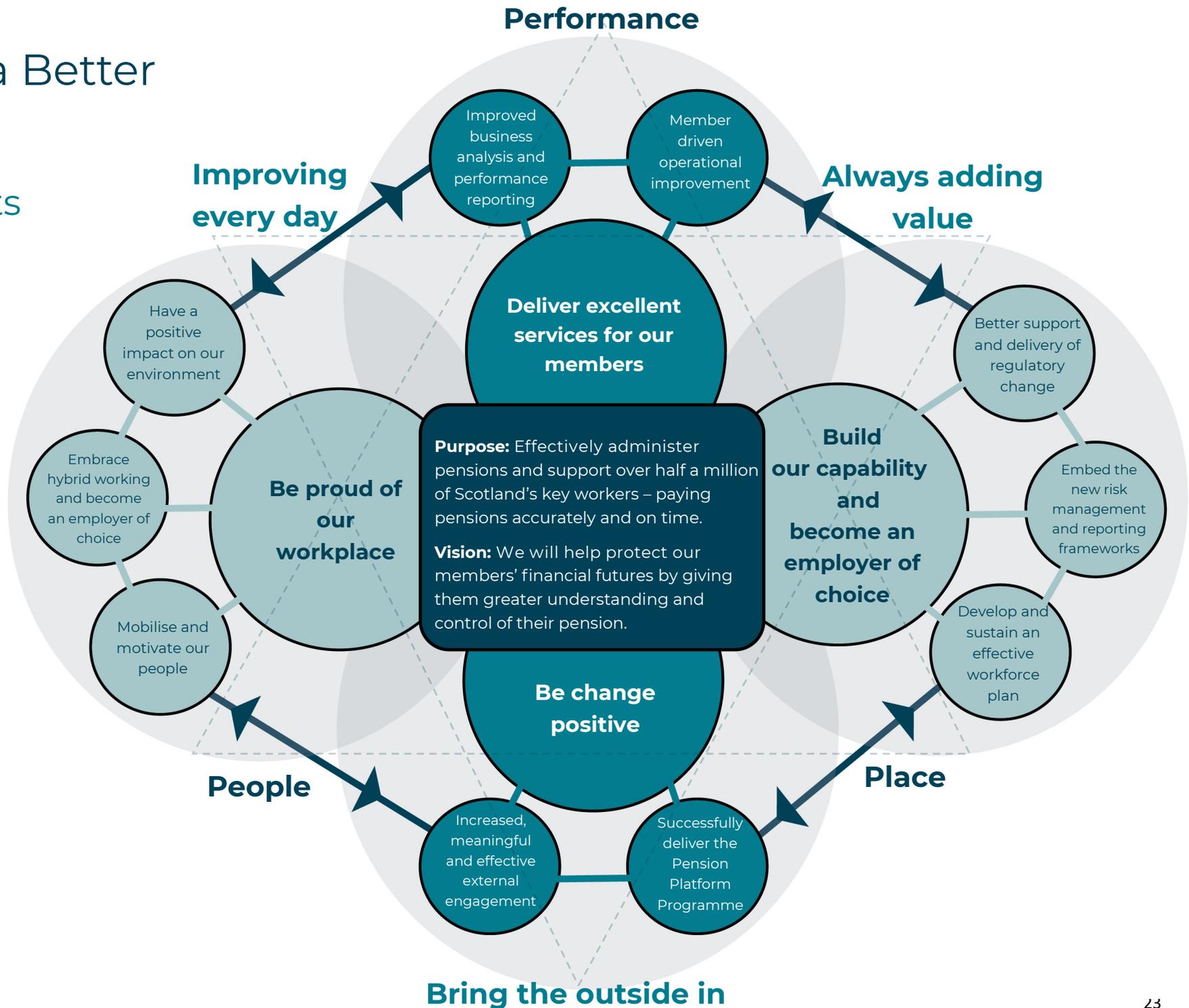
2024/25: Transition phase 2: Reducing our cost to serve

2025/26: Better SPPA: Enhanced automation, capability and ways of working

2026/27: Delivering our Vision

Building a Better SPPA

How it all fits together





Serving those who serve Scotland

