



Meeting	Scottish Teachers Pension Board
Meeting date	24 February 2022
Meeting time	14:00 – 17:00
Meeting location	MS Teams

Attendees	Clare Scott (CS)	Chair
	Ray Martin (RJM)	Vice Chair
	Brian Cookson	Board Member
	John Crichton	Board Member
	Leah Stalker	Board Member
	Drew Morrice	Board Member
	Charles Buchan	Board Member
	Sharon McKenzie	Board Member
	Louise Wright	Board Member
	Brian McGinley	Board Member
	Andy McGoff	Board Member
	Dave McGinty	Board Member
	Pete Smith	Board Member
Other attendees	David Robb (DR)	SPPA Chief Executive
	Karen Morley (KM)	SPPA Head of Finance, Procurement & Risk
	Craig Gardiner (CG)	SPPA Chief Operating Officer (Interim)
	Anne Walsh (AW)	2015 Remedy Project Manager
	Mark Humble (MH)	SPPA Senior Project Manager
	Dev Dey (DD)	SPPA Head of Customer Services
	Gerry McGarry (GMcG)	SPPA Customer Services Manager
	Donald Forbes (DF)	SPPA Senior Partnership Manager
	Hannah Grout (HG)	SPPA Risk and Assurance Manager
	Phil Heywood (PH)	SPPA Pension Platform Programme Director
	Greg Walker (GW)	SPPA Senior Policy Manager
	Stuart MacArthur (SMacA)	SPPA Governance Manager
Apologies	Graham Hutton	Board Member
	Garry Cossar (GC)	SPPA Head of People, Strategy & Communications (Interim)
Minute taker	Demi Ditchburn	SPPA Governance Officer

1. Welcome and apologies

- 1.1 The Board noted apologies.
- 1.2 There were no changes to the Board members' Register of Interests nor were there any declarations of interest in the business to be conducted.

2. Minutes of the previous meeting

- 2.1 The Board agreed that the minutes of the previous meeting were a true and correct record, pending the following change to be made to the minute:
 - Using initials "RJM" to distinguish Ray Martin's input from that of Rachel Miller

3. Operational Excellence Update

- 3.1 DR outlined the new structure at SPPA.
- 3.2 DR introduced CG, SPPA's recently appointed Interim Chief Operating Officer, who explained his role and immediate priorities; including engagement and improvements to current processes.
- 3.3 The Board discussed engagement and DR encouraged communication between Board members and SPPA.
- 3.4 The Board commented that a period of stability for SPPA would be welcomed and DR confirmed permanent recruitment for roles was expected to be completed by the end of April.
- 3.5 The Board discussed the current dashboard and noted that a revised version had been promised for this meeting. The Board noted their concerns that earlier feedback had not been considered and requested this be reviewed (linked to action T22.09).
- 3.6 The Board requested an update to TPR breach reporting outlined on page 7 of paper 3. SMacA confirmed no follow up enquiries for this have been received from TPR.
- 3.7 The Board requested clarification around the implications of annual pension increase being greater than 3% and impact on GMP pension elements. The Board noted their concerns in relation to member communication and requested this be reviewed and shared with the Board.
- 3.8 The Board requested an update on lessons learnt session in relation to 2020/21 Annual Benefits Statements. MH confirmed outcomes of the event to be adopted including a project management framework, increased knowledge sharing within SPPA and work with Boards to improve the turnaround time and quality of data. The Board noted that no employers had been involved in the lessons learned session.
- 3.9 The Board discussed data quality and MH confirmed that 1/3 of ABS cases waiting to be issued was due to data related issues. The Board agreed to resurrect the ABS working group.
- 3.10 The Board requested clarification around the amber status of section 3.2.6 in paper 3. MH confirmed that delays in review had resulted in slight project slippage, although an August deadline is still expected to be met.
- 3.11 Positive comments around recent communications with SPPA and Board colleagues in Fife were noted.
- 3.12 The Board requested that SPPA provide figures and updates that apply only to the Teachers Pension Scheme, rather than aggregate data.
- 3.13 The Board noted that once the ABS working group is established, areas to review include
- employers who need assistance
 - data and how to improve quality in the most efficient way

Progress on outstanding actions noted as follows:

T22.09 Business performance management – remains open

T1121.01 Contacting members – remains open

T0222.01	SPPA to review communication strategy in relation to section 3.2.1 API 2022 and share this with the Board
T0222.02	Board members to communicate with RJM and arrange membership of ABS working group

4. Remedy Update

- 4.1 AW confirmed a reference to mailing in section 1 did not affect Teacher members and was relevant to other Pension Schemes.
- 4.2 The chair requested clarification around Policy Definition Documents. AW confirmed that these are currently with Treasury for sign off. Once this stage is complete, the documents will be interpreted and the best approach will be decided upon.
- 4.3 The Board requested clarification around internal resources being a red risk and whether ministers were aware of this. AW confirmed that mitigations had taken place to reduce

this risk to amber; with further mitigations planned to bring this risk to green. DR confirmed that ministers are aware of all risks.

- 4.4 The chair offered Board support to review member communications.

5. Customer Service Update

- 5.1 DD summarised key activities during the previous quarter and informed the Board of a high increase in demand for services. There was a 40% increase for Teachers, including a 50% increase in retirements.
- 5.2 RJM requested that SPPA display data with current position first and noted that data is not helpful without targets for comparison. GMcG noted that targets for services were being reviewed and the Board requested that they be consulted on the targets.
- 5.3 The Board expressed disappointment with service performance, especially death in service numbers. GMcG confirmed that although some payments were not made within the SPPA's 2 month target window, none were paid late as the actual window for payments is 3 months.
- 5.4 The Board raised the question of why retirement applications had increased by 50% and whether this could be due to delays from the pandemic or the introduction of Remedy-McCloud. DD confirmed that this is likely due to a combination of factors and will analyse this further once priority targets have been met.
- 5.5 The Board questioned the engagement of SPPA with deferred members. GMcG confirmed that deferred members are contacted at retirement age. RJM noted that unlike some public sector schemes, issuing annual benefit statements is not a requirement in the Scottish Teachers Scheme. The Board noted that once the ABS working group is established, this is an area to review.
- 5.6 The Board requested that data be presented in such a way that the Board can easily compare KPI's between years, including trends where applicable.
- 5.7 The Board noted that they would like to see a draft of newly developed KPI's and review their presentation (linked to action T22.09).
- 5.8 The Board requested clarification around ill health process communication with trade unions. GMcG confirmed that this work was carried out at pace although SPPA colleagues had been in touch with EIS throughout. The Board noted that softer phrasing could be used in communication. GMcG confirmed that this will be implemented within the official communication.
- 5.9 The Board requested clarification around the employer charter and its status. DD confirmed that it is lower in priority than other tasks such as training new staff, and it will be re-engaged when work stabilises, it expected to be shared with the Board by Q2 this year.

Progress on outstanding actions noted as follows:

T15.03	Employer Charter – remains open
T0221.06	Ill Health Process – closed
T0521.06	Employer data/ iConnect – remains open
T0921.07	TPR Data Standards – remains open
T1121.02	GMP – closed
T1121.03	GMP enquiries – closed
T1121.04	Partnership working – remains open

T0222.03	SPPA to review the data format of the Customer Services report and include targets and trends, where applicable (also links to T22.09)
T0222.04	Customer services to analyse increase in retirement applications
T0222.05	The Board requested that SPPA consult them on the review of service standards.

Meeting paused for 15 minutes – comfort break.

6. Governance Update

- 6.1 The chair thanked the Board for completing self-assessments and 1-2-1 sessions.
- 6.2 The Board noted the positive actions of SPPA to convert feedback into applicable measures.
- 6.3 The Board discussed outcomes of the assessment and **agreed** the proposed actions in relation to Membership, Remit and Meetings as proposed in the paper provided by the chair,
- 6.4 In relation to diversity, the Board recognised the potential difficulties given how membership is determined but due to the importance of this particular area, the Board should take specific actions to develop this.
- 6.5 It was noted that succession planning is required to fill roles coming to the end of their tenure in the next year. There was emphasis on preparation for filling roles that require facilitating and understanding data issues, especially with employers.
- 6.6 The Board discussed training. It was noted that extending training to potential candidates would ensure better preparation for the role. The chair commented on upcoming TPR regulations and suggested this may include tailored training plans. SMacA noted that SPPA are not in a position to tailor bespoke training packages for every Board member; plans are rolled out on a Board basis and Board members are equally responsible for their own training and development.
- 6.7 SMacA provided an overview of new documentation being developed within SPPA.
- 6.8 The Board discussed the draft terms of reference and it was noted that:
- A 3 month resignation period may not be applicable in all cases
 - Papers circulated 7 days before meetings would be beneficial
 - Sub group membership should be balanced where possible
- 6.9 Subject to small tweaks regarding duplication of words and the points noted above, the Board **approved** the terms of reference.
- 6.10 SMacA explained the process of TPR supervision and noted that although this was carried out via Police and Fire pension schemes, lessons learned are applicable to all pension schemes. The Board noted that many of the areas for development were subjects considered by the Board.

Progress on outstanding actions noted as follows:

T1121.08 Meeting dates – closed

T1020.14 Board effectiveness - closed

T0222.06	SPPA to work with the chair & vice chair to progress actions from the effectiveness review
T0222.07	SPPA to share final drafts of newly developed policies when complete
T0222.08	SPPA to review noted points in Terms of Reference and amend where applicable

7. Risk & Assurance Update

- 7.1 The Board requested clarification around resourcing risk. HG confirmed that resourcing is likely to be recurrent on the register due to its nature. HG noted that although budget can be a barrier to resourcing, the current recruitment process can be a bigger barrier at times.
- 7.2 The Board requested clarification around employee contributions and how SPPA can ensure employers are passing these on appropriately. KM noted that SPPA are looking into the development of evidence for this and a financial report for Boards as part of the governance around scheme accounts. CS noted that the Board's new terms of reference includes consideration of SPPA's internal audit plans.
- 7.3 The Board discussed the breaches log. HG noted that operational breaches from other schemes are included as they have a likelihood to impact other schemes.
- 7.4 The chair noted that some breaches seemed to be missing from the log.

Progress on outstanding actions noted as follows:

T0222.09	KM to develop outline of financial report documenting evidence of employee/employer contributions
T0222.10	HG to look into missing breaches and include these on log

8. Pension Platform Procurement Programme Update

- 8.1 PH updated the Board. He noted that 12 questions had been submitted from vendors so far, mainly in relation to terms and conditions (SG model IT conditions have been used).

9. Policy Internal Dispute Resolution Procedure (IDRP) Update

- 9.1 The Board discussed statistics in paper 9 and requested clarification around outstanding figures. GW confirmed that historic disputes are being addressed although once cleared new disputes progress into the “outstanding” category.
- 9.2 GW updated the Board on action T8.11 (Eligibility) noting there is agreement within 7 of 8 areas, and the Board will be updated as and when SPPA and the Treasury work through the remaining area.
- 9.3 The confidentiality of paper 9 was discussed by the Board. GW confirmed that paper 9 was not confidential and could be shared with wider colleagues of the Board. The Board noted that the report on opt outs was historic and requested up-to-date numbers to monitor the potential impact of the forthcoming changes to the scheme.

Progress on outstanding actions noted as follows:

T8.11 Eligibility – remains open

T1121.06 Opt out reports – remains open

10. Board Responsibilities

- 10.1 The Board discussed document 10 and agreed to focus on the two red areas.
- 10.2 It was noted that the document, which was developed to monitor compliance with TPR codes, should be owned by SPPA rather than the Board.

Progress on outstanding actions noted as follows:

T1121.07 Board responsibilities – remains open

11. Any other business

- 11.1 The Board discussed the future setup of meetings and how hybrid facilities could work. It was noted that although face to face meetings are encouraged, the Board have diverse needs and this needs to be considered.
- 11.2 The Board discussed COSLA conference centre with newly updated hybrid working facilities as a potential option for future meetings.

12. Next meeting

19 May 2022.

Summary of new Actions

T0222.01	SPPA to review communication strategy in relation to section 3.2.1 API 2022 and share this with the Board
T0222.02	Board members to communicate with RJM and arrange membership of ABS working group
T0222.03	SPPA to review the data format of the Customer Services report and include targets and trends, where applicable (also links to T22.09)
T0222.04	Customer services to analyse increase in retirement applications
T0222.05	The Board requested that SPPA consult them on the review of service standards
T0222.06	SPPA to work with the chair & vice chair to progress actions from the effectiveness review
T0222.07	SPPA to share final drafts of newly developed policies when complete
T0222.08	SPPA to review noted points in Terms of Reference and amend where applicable
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