Scottish Public Pensions Agency
Buidheann Peinnseanan Poblach na h-Alba

Minute number (3M/22)

Meeting	Management Advisory Board
Meeting date	13 July 2022
Meeting time	10:00 – 1:00
Meeting location	MS Teams / Tweedbank (hybrid)

Members in attendance	Helen Mackenzie	Meeting Chair
	Mark Adderley	Non-executive Board Member
	Jane Malcolm	Non-executive Board Member
	Clare Scott	Non-executive Board Member
Other attendees	David Robb	Chief Executive Officer
	Iain Coltman	Head of Policy
	Phil Heywood	Programme Manager, Pensions Platform Programme (Item 11)
	Mark Humble	Projects Manager (Item 7)
	Stuart MacArthur	Corporate Governance Manager
	Rachel Miller	Planning and Performance Manager
	Karen Morley	Head of Finance, Procurement and Risk
	Sally Paterson	Customer Services Manager
	Craig Tait	IT Transformation Manager (Item 12)
	Debbie Trafford	Senior People Services Manager (Item 13)
Apologies	Elaine Cameron	Non-executive Board Member
	Ian Forbes	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
	Garry Cossar	Head of People, Strategy and Communications
	Craig Gardiner	Head of Operations
Minute taker	Marnie Davis Wood	Governance Delivery Lead

1. Welcome and apologies

1.1 Apologies were received from Elaine Cameron, Ian Forbes, Norman McNeil, Garry Cossar and Craig Gardiner. The Chair welcomed Rachel Miller, deputising for Garry Cossar, and Sally Paterson, deputising for Craig Gardiner.

1.2 The Chair welcomed Clare Scott to her first meeting of the Board.

2. Declaration of interests

2.1 Clare Scott asked the Board to note that she would continue to serve as the Chair of the Scottish Teachers' Pension Board whilst recruitment was underway for a new Chair. There were no other changes to committee members' Register of Interests nor were there any declarations of interest in the business to be conducted.

3. Minutes of the previous meeting

3.1 The committee **agreed** that the minutes of the previous meeting were a true and correct record.

4. Actions

4.1 Members reviewed the action tracker. The following actions were approved for closure:
0421.02
0122.02
0122.03

0422.02
0422.04

4.2   Updates on the remaining open actions were noted.

5.   Audit and Risk Committee Update

5.1   The Committee Chair reported on the meeting held on 21 June 2022 and the Board noted the draft minutes provided. The Board noted:
- Progress with key improvement actions and audit action points
- Forthcoming internal audit review of internal controls
- The 2021-22 Internal Audit Opinion giving limited assurance
- The recent deep dive on counter fraud and other related activities in the SPPA

6.   Audit and Risk Committee Annual Report

6.1   The Committee Chair presented the 2021-22 Audit and Risk Committee Annual Report to the Board. Minor edits were noted. The Board discussed the importance of horizon-scanning in the current macro-economic climate and that it would be helpful to consider this at the next Board meeting.

> **MAB 0722.01** The Board to consider an agenda item on horizon scanning at its next meeting. (Hannah Grout)
> Completion date: October 2022

7.   Agency Performance Report

7.1   David Robb (DR) introduced the Agency Performance Report and the Board discussed:
- Structural changes to the People, Strategy and Communications team
- The performance reporting rhythm that is embedding and underpins this revised report format
- A proposal to engage a third party benchmarking company to assist with further developing performance reporting
- Possible benefits of showing activity and transaction measures around key activities rather than performance measures in customer services, as well as trajectories.
- Ensuring consistency across RAG ratings
- Current actions to address the red status of the 2015 Remedy Project
- A current status report on customer services teams presented in the meeting by Sally Paterson, noting the sharp recent and anticipated increase in awards which is putting the service teams under pressure
- The impact of incorrect employer data.

8.   Agency Finance Report

8.1   Karen Morley (KM) introduced the report, describing the fiscal position and associated risks. The Board noted and discussed:
- 2021-22 performance, noting that financial management has improved and the accounts having been submitted to Audit Scotland
- Average FTE across the year and trends, which require further analysis
- The challenging capital programme position, noting that all capital is committed for 2022-23
- The 2022-23 budget and forecast outturn in relation to the workforce plan
- The better than expected – though still challenging – spending review settlement for the SPPA.

9. Agency Annual Report and Accounts - Update

9.1 KM updated the Board on progress with the Audit and Annual Report compilation process, according to the current timetable. The Board noted:
- Lessons learnt through the collation process
- The improved quality of the accounts in relation to previous years
- The anticipated focus in coming weeks on answering the auditors' queries efficiently
- A draft is to be provided to Audit and Risk Committee members for comment
- The projected timetable for NHS and Teachers' Pension Scheme Annual Report and Accounts
- The risk associated with the delays to the planned timetable for the audit, including the risk that the accounts may not be laid before Parliament by the deadline.

10. Corporate Governance Update

10.1 Stuart MacArthur presented to the Board the proposed edits to the Agency Framework Document and Terms of Reference for MAB and ARC. The Board supported the revised documents, providing a number of comments for consideration and incorporation in the final versions.

10.2 The Board agreed to add an item to the standing agenda at the end of each meeting which facilitates reflection on the role of the Board and the effectiveness of the meeting.

11. Pensions Platform Programme

11.1 Phil Heywood reported to the Board on the current status of the programme and progress on procurement. The Board noted the plans for communication, change management, and the advice being provided by Scottish Government Shared Services.

12. Altair Outage Update

12.1 Craig Tait presented a report on the recent Altair outage. The Board discussed:
- The need for 'lessons learned' to be communicated
- Inclusion of systems availability in performance reporting
- Review of the incident management process.

> **MAB 0722.02** Operations to report to the next Audit and Risk Committee meeting on lessons learned in relation to the Altair system outage.
> Completion date: October 2022

13. Workforce and Culture

13.1 Debbie Trafford led a discussion on Workforce and Culture after reporting to the Board on the recent Pulse Survey results. The Board discussed:
- Capturing good practice and sharing it
- Change leadership
- Balancing the immediate pressures of demand with longer-range improvement
- Celebrating success and making improvements visible to staff working on clearing backlogs
- Performance culture and behaviours
- The need for transformation to be supported across all areas of the Agency
- Empowering and encouraging bottom-up change.

14. Next scheduled meeting

14.1   The next meeting will be held on Wednesday 12 October.

Version Control		
		Version number
Date minutes sent to chair	25 July 2022	1.0
Date approved by chair	27 July 2022	1.1
Date approved by board/committee	12 October 2022	1.2
Date of publication	25 October 2022	1.3