



|                         |                                 |
|-------------------------|---------------------------------|
| <b>Meeting</b>          | Scottish Teachers Pension Board |
| <b>Meeting date</b>     | 01 December 2022                |
| <b>Meeting time</b>     | 10:30-13:30                     |
| <b>Meeting location</b> | Hybrid                          |

|                |                          |                                                          |
|----------------|--------------------------|----------------------------------------------------------|
| Board members  | Mark Cook (MC)           | Chair                                                    |
|                | Richard Giles            | Vice Chair                                               |
|                | Brian Cookson (BC)       | Board Member                                             |
|                | John Crichton (JC)       | Board Member                                             |
|                | Dave McGinty (DMc)       | Board Member *                                           |
|                | Drew Morrice (DM)        | Board Member                                             |
|                | Graham Hutton (GH)       | Board Member                                             |
|                | Louise Wright (LW)       | Board Member*                                            |
|                | Andy McGoff (AM)         | Board Member                                             |
|                | Pete Smith (PS)          | Board Member                                             |
|                | Leah Stalker (LS)        | Board Member*                                            |
|                | Sharon McKenzie (SM)     | Board Member*                                            |
|                | Brian McGinley (BM)      | Board Member*                                            |
| SPPA attendees | David Robb (DR)          | SPPA Chief Executive*                                    |
|                | Garry Cossar (GC)        | SPPA Head of People, Strategy & Communications           |
|                | Iain Coltman (IC)        | SPPA Head of Pension Policy                              |
|                | Karen Morley (KM)        | SPPA Head of Finance                                     |
|                | David Gunner             | SPPA Programme Director                                  |
|                | Jason Grainger           | SPPA Project Delivery Manager                            |
|                | Hannah Grout (HG)        | SPPA Risk and Assurance Manager                          |
|                | Stuart MacArthur (SMacA) | SPPA Corporate Governance Manager                        |
|                | Jonathan Sharp (JS)      | SPPA Data Protection and Information Governance Manager* |
|                | Donald Forbes            | SPPA Senior Partnership Manager                          |
| Apologies      | Maureen Kennedy          | Observer                                                 |
| Minute taker   | Demi Ditchburn           | SPPA Governance Delivery Lead*                           |

\* attended remotely

## 1. Welcome and apologies

- 1.1 The Chair welcomed all attendees. The meeting started nearly 20 minutes late due to the in room video conferencing microphone not working properly and the time taken to connect in room attendees to the SPPA guest network. Chair noted that this was not acceptable and SPPA (SMacA) undertook to investigate how this can be improved for the next meeting
- 1.2 There were no declarations of interest in the business to be conducted.

## 2. Minutes of the previous meeting

- 2.1 The Chair noted that MC and RG were not listed as observers in the previous minutes. Subject to this amendment, the Board agreed that the minutes of the previous meeting were a true and correct record.

|          |                                                           |
|----------|-----------------------------------------------------------|
| T1222.01 | SPPA to amend previous minutes to reflect observer status |
|----------|-----------------------------------------------------------|

### **3. Review of Outstanding Actions**

- 3.1 Actions were reviewed and discussed during the meeting. The following actions were agreed to be closed:
- T0522.07
  - T0922.06
  - T1121.05
  - T0922.01
  - T0922.07
  - T0922.08
  - T0222.06
  - T0922.03
  - T0922.02
  - T0522.03
  - T0522.05
- 3.2 It was agreed to keep action T15.03 open. SPPA will review this and provide an update for the next Board meeting.
- 3.3 It was agreed to keep action T1121.06 open until the next Board meeting.

### **4. Performance and Risk Update**

- 4.1 SPPA noted the ongoing recruitment exercise for the Chief Operating Officer role. This is currently at sift stage.
- 4.2 SPPA noted a general lack of narrative in the Performance Report. The Planning and Performance Team are working on reporting on more meaningful performance data going forward and including extended narrative over and above presented facts.
- 4.3 SPPA are keen to review key performance indicators (KPI) and progress on this will be shared with the Board when available.
- 4.4 The Chair highlighted the positive trend in calls answered and requested more information on this and its sustainability. SPPA stated the reason for the positive trend is due to the decentralisation of telephone and email communication. Performance will be monitored closely and reported to the Board at the next meeting.
- 4.5 The Board noted disappointment in the data and downhill trend in customer satisfaction. It was also noted that there seems to be a specific challenge for the teachers scheme in that the downward trend lags behind the overall data. SPPA stated that there is hope to improve this with the trial. There is also a need to review the current Service Level Agreement in relation to this to ensure an efficient service is being provided. SPPA will provide feedback on the specific challenges on this within the teachers scheme and share the top 3 themes relating to customer dissatisfaction.
- 4.6 The Board noted that communication is fundamental to members of the scheme and there is a wider responsibility on employers, unions and other relevant organisations to communicate key messages.
- 4.7 The Board requested further information on the trends in relation to member statistics. It was agreed that monthly data is helpful although trends over a longer period would also be useful. SPPA will review this and provide trends where possible.
- 4.8 The Board suggested the data on emails answered is broken down into categories depending on the content within emails. This would mean more focus on measuring urgent or important emails than emails which are less urgent. SPPA noted this will be part of the KPI review. The Board asked to provide input on which measures are particularly valued.
- 4.9 SPPA noted that the current fiscal climate is tight. There are increasing cost pressures such as rising inflation that will be a challenge to build into finances over the next couple of years.

- 4.10 The Chair noted concern around the business plan for people development. SPPA noted formal development should progress to a green RAG status by the end of 2022. Development KPIs are also part of the review.
- 4.11 The Chair noted concern in the data for registered CISP members. SPPA noted this should progress to a green RAG status by the end of 2022. The Board suggested that this measure should be linked to internal audit report measures.
- 4.12 The risk paper was missing from the meeting pack and was uploaded after the board meeting. The Board approved the new risk reporting format although further information was requested around register definitions and controls. SPPA agreed to circulate control definitions and an explanation of how scores are calculated.
- 4.13 The Board requested information around the confidence levels of cyber security risks relating to the current cyber security audit report. SPPA will update the risk register to include these and circulate to the Board by January 2023.
- 4.14 The Board requested clarification on which risks are pertinent for them to focus on. SPPA noted that these are risks which are further away from their target, in particular TP7 and TP5.
- 4.15 SPPA discussed the latest data breach and confirmed the revised Incident Management plan will include communication to Board Chairs within 24 hours of incidents (depending upon incident level).

|          |                                                                                                                                                 |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| T1222.02 | SPPA to review key performance indicators and share progress on this when available                                                             |
| T1222.03 | SPPA to provide feedback on the specific challenges and top 3 themes relating to customer satisfaction within the teachers scheme               |
| T1222.04 | SPPA to provide trends in relation to member statistics within the next Performance Report                                                      |
| T1222.05 | SPPA to circulate risk control definitions and an explanation of how scores are calculated                                                      |
| T1222.06 | SPPA to update the risk register to include cyber security risks relating to the current cyber security audit report and circulate to the Board |

## 5. Projects Updates

### Pension Platform Programme (PPP)

- 5.1 SPPA updated on progress:
- Currently in implementation phase where various workshops are taking place to map out functional and non-functional requirements
  - Until requirements are confirmed the project is at amber status
- 5.2 The Board queried the impact that the project will have on business as usual. SPPA confirmed there is expected to be minimal impact to business as usual throughout the project.
- 5.3 The Board queried the sign off date of 30 December 2022. SPPA confirmed this is unlikely and sign off is likely to take place nearer to the end of February 2023. It was confirmed this is not a key issue and there are currently no concerns of project slippage in relation to this.

### 2015 Remedy Project

- 5.4 SPPA highlighted Iain Coltman as the newly appointed Senior Responsible Owner for the project. The project is trending amber overall.
- 5.5 The Board requested further information around the ABS process and whether decisions taken around this would be consistent with other schemes.

|          |                                                                                                                                           |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------|
| T1222.07 | SPPA to provide further information around the ABS process and whether decisions taken around this would be consistent with other schemes |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------|

### Other Projects

- 5.6 The Board queried the number of Pension Leavers. SPPA confirmed this was related to a specific data challenge which is no longer an issue.
- 5.7 The Board requested confirmation that the risk of data breaches with hard copy post would transfer to Royal Mail in the hybrid mail project. SPPA confirmed this.
- 5.8 The Board queried what steps are being taken to ensure the right resource is available for projects during this very busy period of project work for SPPA. SPPA noted that there are continual discussions around resourcing for projects. Skills are being built across teams, flex is being built into project timelines and resource is being brought into the Agency when needed. The Board were reassured that the Executive Team are aware of the change rich environment and are working in a way that project interdependencies are understood and planned for. The Board are keen to receive updates on resourcing going forward.

### Annual Allowance (AA) and Annual Benefit Statement (ABS) Subgroup

- 5.9 The Board noted concern that until we have mitigations in place for data quality issues we are likely to see the same patterns in the next cycle for AA/ABS.
- 5.10 The Board also noted concern that the tenure for the majority of subgroup members who have been in the group over an extended period finishes in March 2023.

|          |                                                     |
|----------|-----------------------------------------------------|
| T1222.08 | Board members to share knowledge on AA/ABS subgroup |
|----------|-----------------------------------------------------|

### Data Return Scorecard

- 5.11 The SPPA did not provide a staff member who would answer questions or present on this paper at the meeting. It was agreed that the paper would be deferred to the next board where it would be presented and discussed in detail. The Board discussed the data return scorecard and the processes around this. The Board queried whether employers use this to review their performance currently.
- 5.12 LW noted that there are plans to hold discussions offline in relation to this with pension leads in councils.
- 5.13 The Board encouraged SPPA to use the score card to think about the level of support required for each employer.
- 5.14 The Board noted a further session around this would be beneficial to understand how SPPA use the data.

|          |                                                             |
|----------|-------------------------------------------------------------|
| T1222.09 | SPPA to hold a further session on the Data Return Scorecard |
|----------|-------------------------------------------------------------|

**The meeting paused for a short break.**

## **6. Other Board Business**

### Governance

- 6.1 SPPA thanked BC for his work on the Board throughout his tenure.
- 6.2 SPPA noted that a self-assessment survey, knowledge and understanding survey and annual declaration of interests would be issued before the end of the year.
- 6.3 SPPA noted conversations around succession planning are taking place with members whose tenures end in 2023.
- 6.4 The Board requested information on communication with The Pensions Regulator (TPR) in relation to the breach for the latest round of ABS. TPR requested information on how many ABS have been completed during the remediation period, how many are still outstanding and the plan going forward. A draft response will be shared with the Chair and Vice-Chair before submission due on 8 December 2022.

- 6.5 The Board noted that a report on data quality had been requested previously. Senior resource has now been dedicated to data quality improvement. An update will be shared with the Board in January 2023 to outline the latest position on this.

|          |                                                                                        |
|----------|----------------------------------------------------------------------------------------|
| T1222.10 | SPPA to share a draft TPR response with the Chair and Vice-Chair                       |
| T1222.11 | SPPA to circulate an update to outline the latest position on data quality improvement |

#### Finance

- 6.6 The finance report was not circulated in advance in the meeting pack however KM provided a comprehensive walk through of the content. SPPA discussed the Annual Report and Accounts and noted these are in the last stages of audit. No significant issues have been raised however continued lack of resource in the finance team has been a concern.
- 6.7 Progress on action T0222.09 was noted.

|          |                                                                       |
|----------|-----------------------------------------------------------------------|
| T1222.12 | SPPA to circulate Finance Report                                      |
| T1222.13 | Board members to feedback any comments or questions on Finance Report |

## **7. Any Other Competent Business**

#### Employer Communications

- 7.1 The Chair noted that no board members are part of the External Communications Group. SPPA agreed Board members would be invited to engage with this group.
- 7.2 The Board noted how important communications are as a tool for soft influence with scheme members.

#### Cyber Security

- 7.3 The Chair requested assurance that SPPA are confident they have the right systems in place to
- protect data from any potential breaches
  - respond to a breach accordingly and recover
- 7.4 SPPA noted confidence levels are high due to external validation through the audit process on routine practices. Phishing is the main area of concern. This is monitored vigilantly and awareness sessions are carried out often to inform colleagues on this.
- 7.5 The Board queried timescales for audit actions and SPPA confirmed that an incident response process does exist but work is taking place at the moment to make this clearer and more succinct.
- 7.6 The Board queried whether SPPA have any indication of how their assurance rating ranks against other agencies. SPPA noted that the Agency has equal support and guidance from the Scottish Government Cyber Team, although potentially a higher appetite for scammers.
- 7.7 The Board queried the Cyber Essentials Accreditation and SPPA confirmed accreditation is currently at the standard level.
- 7.8 The Board requested more information on the progress of actions in the report. SPPA provided a verbal update on these and confirmed that discussions will take place to link these actions to risk registers where appropriate (linked to action T1201.06).

#### 2023 Board Dates

- 7.9 DM noted that he is unable to confirm dates in late 2023 as the EIS calendar is not yet available.
- 7.10 The Chair encouraged members to confirm attendance with the SPPA Corporate Governance Team.

|          |                                                                                 |
|----------|---------------------------------------------------------------------------------|
| T1222.14 | Members to confirm attendance for 2023 with the SPPA Corporate Governance Team. |
|----------|---------------------------------------------------------------------------------|

7.11 The Chair thanked BC for his work on the Board throughout his tenure.

## 8. Next meeting

8.1 The Chair encouraged members to attend meetings in 2023 on site.

8.2 The next meeting is scheduled for 1 March 2023.

## Summary of new Actions

|          |                                                                                                                                                 |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| T1222.01 | SPPA to amend previous minutes to reflect observer status                                                                                       |
| T1222.02 | SPPA to review key performance indicators and share progress on this when available                                                             |
| T1222.03 | SPPA to provide feedback on the specific challenges and top 3 themes relating to customer satisfaction within the teachers scheme               |
| T1222.04 | SPPA to provide trends in relation to member statistics within the next Performance Report                                                      |
| T1222.05 | SPPA to circulate risk control definitions and an explanation of how scores are calculated                                                      |
| T1222.06 | SPPA to update the risk register to include cyber security risks relating to the current cyber security audit report and circulate to the Board |
| T1222.07 | SPPA to provide further information around the ABS process and whether decisions taken around this would be consistent with other schemes       |
| T1222.08 | Board members to share knowledge on AA/ABS subgroup                                                                                             |
| T1222.09 | SPPA to hold a further session on the Data Return Scorecard                                                                                     |
| T1222.10 | SPPA to share a draft TPR response with the Chair and Vice-Chair                                                                                |
| T1222.11 | SPPA to circulate an update to outline the latest position on data quality improvement                                                          |
| T1222.12 | SPPA to circulate Finance Report                                                                                                                |
| T1222.13 | Board members to feedback any comments or questions on Finance Report                                                                           |
| T1222.14 | Members to confirm attendance for 2023 with the SPPA Corporate Governance Team.                                                                 |

| Version Control                  |                  |                |
|----------------------------------|------------------|----------------|
|                                  |                  | Version number |
| Date minutes sent to chair       | 13 December 2022 | 0.1            |
| Date approved by chair           | 4 January 2023   | 0.3            |
| Date approved by Board/committee | 1 March 2023     | 1.0            |
| Date of publication              | 2 March 2023     | 1.0            |