

Meeting	Management Advisory Board
Meeting date	26 January 2023
Meeting time	13:00 – 16:00
Meeting location	MS Teams

Members in attendance	Ian Forbes	Meeting Chair
	Mark Adderley	Non-executive Board Member
	Helen Mackenzie	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
Other attendees	David Robb	Chief Executive Officer
	Iain Coltman	Head of Policy
	Garry Cossar	Head of People, Strategy and Communications & Interim Head of Operations
	David Gunner	Programme Director
	Stuart MacArthur	Corporate Governance Manager
	Karen Morley	Head of Finance, Procurement and Risk
Apologies	Jane Malcolm	Non-executive Board Member
	Clare Scott	Non-executive Board Member
Minute taker	Marnie Davis Wood	Governance Delivery Lead

1. Welcome and apologies

- 1.1 Apologies were received from Jane Malcolm and Clare Scott.
- 1.2 The Chair noted that due to taking on a new position which would raise a conflict of interest, Elaine Cameron had resigned from her role on the Board. The Chair thanked her for her contribution. A replacement for the People Committee would be sought.

2. Declaration of interests

- 2.1 There were no changes to Board members' registered 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 meetings held on 12 October 2022 and 19 December 2022 were a true and correct record.

4. Actions

- 4.1 Members reviewed the action tracker. The following actions were approved for closure:
 - MAB 0422.03
 - MAB 1022.02
 - MAB 1222.01
- 4.2 Updates on the remaining open actions were noted.

5. Audit and Risk Committee (ARC) Update

- 5.1 The Committee Chair reported on the meeting held on 17 January 2023 and the Board noted the draft minutes provided. The Board noted that the Committee had considered:
 - Progress with key improvement actions and audit action points
 - The Information Commissioner's Office audit

- Cyber Security

5.2 A question was raised in relation to cyber security in the hybrid working environment and it was noted that Scottish Government had published guidance on this.

Action MAB 0123.01 SPPA to circulate Scottish Government guidance on cyber security for hybrid working.

Owner: Marnie Davis Wood

Completion date: 31 March 2023

5.3 It was noted that SPPA would seek to use some of the unused internal audit resource for Department of Internal Audit and Assurance facilitation of the lessons learned exercise for the Annual Report and Accounts process and for an issue relating to payments.

6. Pension Platform Programme Update

6.1 David Gunner reported to the Board on the current status of the programme, noting that although the project was reporting amber when the report had been written, the full-volume Proof of Concept report had been received the previous day, moving the programme now to green. Next steps in relation to contract negotiations, Phase One (cloud migration) and further implementation phases were outlined.

6.2 The Board discussed:

- Cloud migration of the current system and testing thereof
- Learnings from the Proof of Concept report
- The improvement in non-technical aspects of the programme including the relationship with the supplier
- Transformation of the business processes in relation to culture change and people development
- Digital assurance and future gateways in relation to technical aspects of the programme.

7. Agency Performance Report

7.1 Garry Cossar (GC) introduced the Q3 Agency Performance Report, noting that:

- There was a business planning workshop planned for Board members and Pension Board Chairs and Vice-Chairs on 1 February in which KPIs would be workshopped with a view to streamlining priorities and KPIs
- The performance objective of paying pensions accurately and on time was being met
- A decentralisation of telephone operations had been trialled and results were being analysed
- Pressure on Operations had increased due to customer demand in December and January
- The leadership development programme for all managers was underway
- Hybrid working was progressing, with colleagues being asked to be in the office for at least one day a week from mid-January onwards; on-site numbers continued to increase.

7.2 The Board discussed:

- The annual business planning process, with a focus on McCloud Remedy in 2023-24, streamlining priorities and realistically revising targets and Service Level Agreements in line with current resource and structure
- Accountability around the performance report production and KPIs
- Data reconciliation with HMRC in relation to McCloud Remedy

- The need to use performance scores to plan effectively, particularly in Operations and to include information on this planning in the MAB performance report
- The potential impact of revaluation and inflation on annual allowances and the need for proactive communications in this regard.

7.3 David Robb (DR) provided a verbal update to the Board on the recruitment process for the Chief Operating Officer, the final stage of which took place in the week prior to the meeting.

7.4 The Board discussed the letter from the Director-General Corporate about Public Sector Reform. Issues discussed were:

- The current baseline information-gathering exercise
- Potential cost recovery and ensuring this does not disadvantage other public sector bodies or public sector workers
- The importance of being able to track efficiencies through to cost savings.

The Board noted that workforce reduction is not being considered at present as part of the cost savings that public bodies are being asked to identify and that there were significant risks involved in relation to the transformation challenges ahead.

8. Agency Finance Report

8.1 Karen Morley (KM) introduced the report, describing the fiscal position and associated risks. The Board was asked to note the pattern of underspend against delegated budgets in each of the last three financial years and consider how SPPA may best utilise available budget. KM highlighted:

- The financial position at the end of November 2022 and subsequent reduction in the forecast underspend. The operating underspend will relieve pressures in the projects area
- Budget settlement of 2023-24 reflects the pattern of underspend in recent years
- In relation to pension scheme performance, scheme volumes are increasing and will continue to increase over the spending review period
- Operating pressures are increasing in line with projected increased scheme member numbers as a result of planned increases in the workforces.

8.2 The board discussed

- The need to measure the increasing quantum of work and potential efficiencies
- The SPPA's position as a small organisation and the related efficiency challenges
- The role of the newly appointed COO in identifying and planning efficiency
- The importance of identifying the reasons for underspend
- Whether there are any deliverables or KPIs where cuts could be made or timescales lengthened in light of current capacity.

9. Strategic Risk Register Review

9.1 Hannah Grout (HG) introduced the paper, highlighting the following:

- The work reported on had built on the strong foundations laid in 2021-22, with a continued focus on data, people and commercial key risks and completing outstanding audit recommendations,
- The important role of the risk champions network across the agency supporting the flow of information from departmental risk registers to the Executive Team risk register.

- 9.2 The board discussed the need for financial risk to be added to the risk register again and the process by which departmental risk registers informed the strategic risk register. The need for developing a process by which the pension boards' scheme risk registers informed the Executive Team's risk register was discussed and agreed.

10. People Survey

- 10.1 GC presented the results of the People Survey, completed in September/October 2022 and published in December. GC noted that the results, particularly in Operations, reflected a point in time where there was some turmoil in the Operations area and that scores were slightly down on the previous year. It was noted that the overall employee engagement index was down one point; there was a significant disparity between Operations and the rest of the agency; and key areas of concern were leadership and change, trust in leadership and leadership visibility.
- 10.2 The board discussed
- Trends across Scottish Government and how SPPA's results compared
 - Action plans being addressed through the annual business planning process
 - The anticipated impact of the new Communications Manager on internal communications
 - The need to consider statistical significance when analysing the results, as some groups would be quite small
 - An interest in understanding the split of engagement results based on how many days colleagues worked in the office
 - Using the survey results as an opportunity to build engagement.

11. Board Effectiveness

- 11.1 The Board reflected on the extent to which it had performed its role successfully at this meeting, with DR thanking members for their contributions and in particular the searching strategic questions that had been raised on the issues discussed. GC suggested that SPPA might set particular objectives for each Board meeting – these would assist in measuring effectiveness.

12. Any other business

- 12.1 The Board noted that the next meeting would be held on 4 May and DR invited all board members to attend this meeting on site at Tweedbank.

13. Next scheduled meeting

- 13.1 The next meeting will be held on 4 May 2023.

Version Control		
		Version number
Date minutes sent to chair	2 March 2023	0.1
Date approved by chair	6 March 2023	0.2
Date approved by board/committee		
Date of publication		