

Meeting	Scottish NHS Pension Board
Meeting date	25 May 2023
Meeting time	10:00 – 13:00
Meeting location	Hybrid

Members	Brian Barbour (BB)	Chair
	David Vallery (DV)	Vice Chair
	Ailsa Paterson (AP)	Board Member
	Claire Pullar (CP)*	Board Member
	Craig Black (CB)	Board Member
	David McColl (DMcC)*	Board Member
	Graeme Eunson (GE)*	Board Member
	Raymond Marshall (RM)	Board Member
	Tom Wilson (TW)*	Board Member
SPPA attendees	David Gunner (DG)	Programme Director
	Debbie Trafford (DT)*	People Transformation Lead
	Donald Forbes (DF)	Senior Partnership Manager
	Frances Graham (FG)	Chief Operating Officer
	Garry Cossar (GC)	Head of People, Strategy and Communications
	Hannah Grout (HG)	Risk & Assurance Manager
	Iain Coltman (IC)*	Head of Policy
	Lorraine Spalding (LS)*	Communications and Engagement Manager
	Philip McKibben (PMcK)*	Financial Controller
	Rachel Miller (RM)*	Planning and Performance Manager
	Stuart MacArthur (SMac)	Corporate Governance Manager
Apologies	David Robb (DR)	SPPA Chief Executive
	Kay Sandilands (KS)	Board Member
	Karen Morley (KM)	SPPA Head of Finance, Procurement & Risk
Minute taker	Demi Ditchburn	SPPA Governance Delivery Lead

*Joined remotely

1. Welcome and apologies

- 1.1 The Chair welcomed all attendees including RM and FG for their first NHS Pension Board meeting.
- 1.2 The Chair recorded thanks to KS for work and contribution throughout their tenure on the Board, with the Board's good wishes to KS for the future. The Chair recorded thanks to KM and SMac for their support of the Board during their time with the SPPA, with the Board's good wishes for the future.
- 1.3 Apologies were noted from DR, KS and KM.

2. Declaration of interests

- 2.1 DV declared himself as a newly appointed Board Member of abrdn Life and Pensions Ltd, a subsidiary of abrdn plc.
- 2.2 BB declared the organisation they work for has recently changed name to Independent Governance Group Ltd after a merger with Ross Trustees.

3. Previous meeting

- 3.1 The minutes from the meeting held on 23 February 2023 had been approved electronically and were available on the SPPA website.
- 3.2 The action tracker was reviewed and the Board welcomed changes made. The following actions were approved for closure, some of which were closed during the meeting:

N0223.03	N0922.05	N0223.06	N0223.07
N0223.09	N1122.12	N0422.02	N0922.11
N0223.01	N0223.11	N0223.10	

- 3.3 It was agreed that action N0223.04 would remain open, and target/reforecast dates would be provided for all open actions.

4. Performance, Risk and Projects

Annual Business Plan

- 4.1 GC recorded thanks to KM and SMac for their work and contribution throughout their time with the SPPA, with good wishes for the future.
- 4.2 GC noted no immediate plans to recruit a new Head of Finance, Procurement and Risk, assuring the Board that they will receive updates on this as the plan progresses.
- 4.3 GC provided an executive summary of the new SPPA Annual Business Plan, thanking the Board for their input. It was noted the plan is considerably stripped back in comparison to the previous years'. GC confirmed that the Board will receive updates on the progress of the plan in Scheme and Agency Performance papers for subsequent board meetings.

Scheme and Agency Performance

- 4.4 GC and FG provided an executive summary of the Scheme and Agency Performance Paper and noted some minor errors.
- 4.5 The Board noted that the graph presented in relation to emails answered did not seem to reflect the narrative presented alongside.
- 4.6 FG addressed this concern, noting that
- A lot of streamlining has taken place with emails and a lot have been cleared although as a continuous process these levels can fluctuate
 - The current process does not show the quality of email responses e.g. some emails require 30 seconds to formulate a basic response, some emails can take much longer to formulate the correct response
 - There is currently no validation in the process and SPPA are working towards a web form for members to ensure emails are directed to the right team
 - SPPA are also looking to pull together a member dashboard to understand common themes in emails
- 4.7 The Board queried the response time of 24 hours for emails and whether this is appropriate. GC confirmed that SPPA will review this.
- 4.8 The Board queried whether the new web form for members will need to take place after the Platform Pension Programme (PPP) updates. FG confirmed that SPPA do not need to wait until the implementation of PPP to set up the web form, and work is taking place on this currently.
- 4.9 The Board discussed email transference. GC and FG noted their intention to reduce email transference in the near future, enabling SPPA to provide a better service to members as emails will be reduced through better internal channels.
- 4.10 GC noted that the transformation element of the PPP business case incorporates business readiness, people and resource. Approval has been granted to proceed with the current transformation business case.
- 4.11 The Board noted that the 2015 Remedy project is a significant challenge for the agency and queried the prioritisation taking place to deliver this successfully. GC noted that SPPA are

preparing as well as possible for the project, noting no current issues with potential impact to service.

- 4.12 The Chair noted an improvement on the narrative around performance from FG was very much welcomed, although the Board are keen to see something specific around this for the next meeting.
- 4.13 The Board discussed people statistics. GC confirmed that the 40 fixed term roles offered to new starters are for a period of 3 years, and turnover within the agency is relatively low at present.

N0525.01	SPPA to provide more information around the people statistics presented in the Scheme and Agency Performance Papers
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Finance

- 4.14 PMcK provided an executive summary of the Finance Paper, noting recruitment has taken place to ensure the agency is in a good place to deliver the Annual Report and Accounts at an appropriate time for 2022-3.
- 4.15 The Board queried the process behind superannuation contributions and the figures for liability from practitioners contributions. PMcK agreed to formulate a response for these queries outside of the meeting.

N0525.02	SPPA to provide a response to the query: Does any of the money accrued in superannuation contributions go to the SPPA?
N0525.03	SPPA to provide figures for liability from practitioners' contributions

Risk

- 4.16 HG provided an executive summary of the Risk Paper, noting no significant changes to the Scheme or Executive Team Register.
- 4.17 HG noted the current issue with a backlog of revision requests which has resulted in a breach notifiable to The Pensions Regulator. HG notified the Board of the proposed action from SPPA to report this to The Pensions Regulator.
- 4.18 FG noted:
- The current process to calculate awards needs to be revised as this has exacerbated the issue
 - A large portion of the requests will no longer be relevant or will not require a revision
 - According to a sample reviewed, >70% of the revisions involve a sum of money < £100
 - Revision requests should not increase due to late pay award
- 4.19 CB noted as a payroll representative that there are chances for SPPA to engage better/further with employers to ensure employers are proactively providing SPPA with necessary data.
- 4.20 The Board discussed risk assurance around cyber security, particularly risk 5 on the Executive Team Risk Register. The Board queried SPPA confidence around the controls relating to this risk. HG noted a recent internal audit and frequent phishing training within the agency, but an understanding that risk around cyber security is very high and there is always more to be developed in this area.

N0525.04	SPPA to look at further mitigations around cyber security risks, such as automatically disabling links for staff email accounts, and provide the Board with an update on what has been considered for implementation
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Pension Platform Programme (PPP)

- 4.21 DG provided an executive summary of the PPP Paper, noting a delay in contract signature and a dependency on the 2015 Remedy project to implement migration.
- 4.22 DG confirmed testing for Fire and Police schemes is complete and testing for NHS will now begin.
- 4.23 The Board queried when tangible improvements will be delivered for NHS members through the project. DG confirmed this as being early / mid 2024 at the soonest.

- 4.24 The Board queried the status of a practitioners' calculator. DG noted this is being worked on currently and a fully functioning version should be in place by October.
- 4.25 The Board noted they are keen to be involved in the design stage of phase 3 to provide input for functionality that will benefit members.

N0525.05	SPPA to provide a clear outline of the planned tangible improvements for members to be delivered through the project (not resilience or platform change benefits) and the timeline for the delivery of these including the calculator.
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2015 Remedy

- 4.26 DG provided an executive summary of the 2015 Remedy Paper, noting the consistent amber status and a recent health check which identified one critical action.
- 4.27 The Board queried the level of confidence to deliver the project within the compressed timeframe. DG noted a high level of confidence at this stage with ongoing prioritisation being the key to minimise risk.
- 4.28 The Board discussed standalone calculators. DG noted that currently 80% of members are able to use the current calculator however SPPA are working on developing additional modules for this to increase this percentage to above 90%.
- 4.29 The Board noted their concern around a flood of requests coming into SPPA in October, and what engagement is taking place with employers around this. FG noted this is a concern and the agency will begin engagement on this as soon as possible. It was agreed an external meeting would take place to discuss this between a sub group of Board members and SPPA representatives. LS noted the Scottish NHS Pension Scheme Advisory Board has a subgroup specifically for 2015 Remedy engagement.

N0525.06	SPPA to provide the Board with a monthly update on the 2015 Remedy project, specifically a track on the 70 products required for the NHS scheme and their relative importance
N0525.07	SPPA to arrange a meeting between a sub-group of Board members and SPPA representatives to discuss engagement around the 2015 Remedy project

Key Annual Events

- 4.30 FG provided an executive summary of the Key Annual Events Paper, noting the intention of SPPA to not issue remedy impacted members with an ABS in August 2023 as this will only be valid until October 2023.
- 4.31 The Board discussed tax implications and personal savings statements. It was agreed the discussion would continue in the meeting between a sub-group of Board members and SPPA representatives.
- 4.32 FG noted there are currently big data gaps in forms received from employers. CB noted their support to help with this process where possible.

Data Quality

- 4.33 DG provided an executive summary of the Data Quality Paper, noting a data profiling exercise is ongoing with the strategy to implement I-connect through a later phase of the PPP.
- 4.34 The Board noted the significant work involved with rolling out I-connect. DG agreed and noted the vast amount of stakeholders that will need to be engaged throughout the process. The Board noted support for the progression to more automatic processes.

Practitioners Remediation

- 4.35 DG provided an executive summary of the Practitioners' Remediation Paper, noting there are 3 strands to progressing the project:
- Prevention of future occurrences
 - Agreeing an appropriate timeframe for overpayments (in light of 2015 Remedy)
 - Acquiring further legal advice for underpayments, specifically related to the timing of the 5-year clawback limitation,

- 4.36 The Board discussed engagement around the project, noting a lack of clear information. Issues with employer data such as wrong tier codes and multiple member accounts were discussed.
- 4.37 The Board queried whether an average payment may be possible. DG noted a significant percentage of cases are £100 or less.

N0525.08	SPPA to provide data to show the number of practitioners affected split into categories based on what is owed. For example, owing £5k, £10k, £50k, >100k (with the actual numbers based on the real data)
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5. Other Board Business

Corporate Governance

- 5.1 SMac provided an executive summary of the Corporate Governance Paper, noting the delay in the new Code of Practice from The Pensions Regulator.
- 5.2 SMac thanked the Board and SPPA colleagues for their time and contributions during his time with SPPA.
- 5.3 The Board queried an update on the functionality to record webinars. SMac noted current policy does not allow the recording of webinars and this functionality is currently disabled within Microsoft Teams. The Board will be updated as soon as this functionality is possible.

External Engagement

- 5.4 LS provided an executive summary of the External Engagement Paper, noting progress with external engagement activities.
- 5.5 The Board queried the reach of the employer newsletters. LS confirmed the distribution list is formed from colleagues who have regular contact with employers and there is the option on the SPPA website to self subscribe.
- 5.6 AP thanked LS and colleagues for recent engagement, noting this was very well received and offering support to take this forward in future.

N0525.09	Board members to feedback directly to LS on requests made through External Engagement Paper
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Board Annual Report

- 5.7 The Board approved the Annual Report in principle subject to any minor changes and the inclusion of data from SPPA.

Annual Agenda Plans

- 5.8 SMac provided an executive summary of the Annual Agenda Planner, noting flexibility with the overview according to demand throughout the year.
- 5.9 The Chair made a request for the SPPA to provide a cyber security scorecard for each Board meeting, particularly in light of the well-publicised incident at Capita.

N0525.10	SPPA to review the request to provide a cyber security scorecard for each Board meeting
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Horizon Scanning

- 5.10 The Board requested further information on upcoming consultations.

N0525.11	SPPA to provide further information on upcoming consultations relating to providing retirement estimates for members seeking retirement (Currently members must provide a date for retirement and are not given an estimate in order to properly assess if they are in a position to retire. An ABS does not constitute an estimate for retirement benefit especially with reference to practitioners)
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6. Next meeting

- 6.1 The next meeting is on 31 August 2023.
6.2 The Chair thanked all in attendance and closed the meeting at 12:40.

7. Summary of new actions

N0525.01	SPPA to provide more information around the people statistics presented in the Scheme and Agency Performance Papers
N0525.02	SPPA to provide a response to the query: Does any of the money accrued in superannuation contributions go to the SPPA?
N0525.03	SPPA to provide figures for liability from practitioners' contributions
N0525.04	SPPA to look at further mitigations around cyber security risks, such as automatically disabling links for staff email accounts, and provide the Board with an update on what has been considered for implementation
N0525.05	SPPA to provide a clear outline of the planned tangible improvements for members to be delivered through the project (not resilience or platform change benefits) and the timeline for the delivery of these
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N0525.08	SPPA to provide data to show the number of practitioners affected split into categories based on what is owed. For example, owing £5k, £10k, £50k, >100k (with the actual numbers based on the real data)
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N0525.11	SPPA to provide further information on upcoming consultations relating to providing retirement estimates for members seeking retirement (Currently members must provide a date for retirement and are not given an estimate in order to properly assess if they are in a position to retire. An ABS does not constitute an estimate for retirement benefit especially with reference to practitioners)

Version Control		
		Version number
Date minutes sent to Chair	7 June 2023	1.0
Date minutes sent to Board members	19 June 2023	2.0
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