

Meeting	Management Advisory Board
Meeting date	04 May 2023
Meeting time	10:00 – 13:00
Meeting location	SPPA Tweedbank (Hybrid)

Members in attendance	Jane Malcolm	Meeting Chair
	Mark Adderley	Non-executive Board Member (remote)
	Ian Forbes	Non-executive Board Member (remote)
	Helen Mackenzie	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
	Clare Scott	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
	Lesley Fraser	Director-General, Operations (Scottish Government)
	Frances Graham	Chief Operating Officer
	David Gunner	Programme Director (item 8)
	Stuart MacArthur	Corporate Governance Manager
	Phillip McKibben	Financial Controller
	Karen Morley	Head of Finance, Procurement and Risk
Minute taker	Marnie Davis Wood	Governance Delivery Lead

1. Welcome and apologies

1.1 There were no apologies.

1.2 The Chair welcomed members, noting that it was pleasing to have so many present at Tweedbank for this meeting. The Chair also welcomed the Director-General: Corporate on site for the meeting.

2. Declaration of interests

2.1 Clare Scott (CS) declared that she had been approached for a proposal to develop and deliver some training for members of the Scottish Local Government Pension Scheme Advisory Board. CS also declared that she is a board member of the London Pension Fund Authority, which part-owns Local Pensions Partnership Administration, a collaborative administrative services provider. She and the Management Advisory Board are content that there are no conflicts of interest arising from this. There were no further 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 Board agreed that the minutes of the meetings held on 26 January 2023 and 20 March 2023 were a true and correct record.

4. Actions

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

- MAB 0422.05
- MAB 0123.01

- MAB 0323.01
- MAB 0323.03

- 4.1.1 Updates on the remaining open actions were noted. In the context of the actions discussion, the Board discussed:
- Succession planning for Karen Morley, Head of Finance, Procurement and Risk, who is leaving SPPA
 - Timelines and process for the preparation of the Annual Reports and Accounts.

5. Audit and Risk Committee Update

- 5.1 The Committee Chair reported on the meeting held on 29 March 2023 and the Board noted the unconfirmed minutes provided. The Board noted that the Committee had discussed:
- A deep dive on Employer Data Flows, which is an area that the Committee will continue to monitor
 - The introduction of regular reporting on the 2015 Remedy
 - Management responses to high priority risks identified in the cyber governance audit
 - Work to be done on articulation of controls in the Risk Register.
- 5.2 It was noted that the internal audit programme this year would be focussed on operational controls.

6. People Committee Update

- 6.1 The Committee Chair reported on the meeting held on 8 March 2023 and the Board noted the unconfirmed minutes provided. The Board discussed the following issues considered by the Committee:
- Recent industrial action causing minimal operational impact and the conclusion of negotiations with PCS
 - Completion of the first stage of the leadership development programme
 - Pulse survey planned imminently; the Board encouraged SPPA to continue adding to the pulse surveys with qualitative discussions and operational problem solving
 - Employee Skills Matrix.

7. UK Spring Budget – Pension Changes

- 7.1 The committee noted a report on the pension changes that had come through in the UK Government's Spring Budget and discussed potential operational impacts and impacts on members. The Board noted the short notice with which these changes had been announced.

8. Pensions Platform Programme Update

- 8.1 David Gunner reported to the Board on the current status of the programme, noting that the programme continued to move toward a contract signature and subsequent cloud migration.
- 8.2 The Board discussed:
- The necessity of building trust with staff to enable a smooth transition
 - Preparing for the transformation stage
 - Benefits realisation.

Action MAB 0523.01

SPPA to discuss PPP benefits realisation at a future MAB meeting.

Owner: David Gunner

Deadline: 24 January 2024

9. Agency Performance Report and Planning

- 9.1 Garry Cossar (GC) introduced the Q4 Agency Performance Report. The Board discussed:
- Moving towards customer-centric performance measures and user-centred design
 - The challenge of quantifying the outcomes of the Leadership Development Programme
 - The need to devise lead measures in relation to leadership development
 - Bridging work underway to enable comparison between last year's and this year's KPIs
 - Engagement with stakeholders, members and The Pensions Regulator in relation to this year's approach to Annual Benefit Statements.

Action 0523.02

People Committee to discuss at its next meeting the development of lead indicators and measures in relation to the Leadership Development Programme.

Owner: Garry Cossar

Deadline: 11 October 2023

10. Agency Finance Report (Paper: Official Sensitive)

- 10.1 Karen Morley (KM) introduced the report, describing the fiscal position and associated risks. KM noted an error that required correcting in table 2a, page 9 and provided a corrected version of the unaudited summary of actual spend for the period to 31 March 2023.
- 10.2 Phil McKibben highlighted:
- The financial position at the end of March 2023
 - Costs of delivering Remedy and Pensions Platform Programme
 - The 2022-23 outturn and 2023-24 forecast.

It was noted that the lag in recruitment had led to over-budgeting for staff, however the Agency's spend was trending closer to budgetary level now and strong monthly/quarterly management accounting was required.

- 10.3 The board discussed
- Depreciation figures
 - Convention of Scottish Local Authorities (COSLA) agreement
 - Monthly management accounting and the links between financial and performance data
 - Risks related to not filling vacancies
 - Reduction in underspend for 2023-24
 - Support for the close monthly/quarterly management of the accounts and finance team's oversight.

11. Financial Sustainability (Paper: Official Sensitive)

- 11.1 David Robb introduced a paper considering the SPPA's basic funding model and future strategic opportunities to contribute to the public sector reform dialogue. The board discussed opportunities, including:
- Implications of using shared services
 - Value for money
 - A guiding principle of reducing the cost to the public
 - The current political environment
 - Costs of the current model.

David Robb to report back to MAB at the July meeting on progress with financial sustainability plans.

Owner: David Robb
Deadline: 20 July 2023

Garry Cossar to present a paper on CEM Benchmarking to MAB at the October meeting.

Owner: Garry Cossar
Deadline: 11 October 2023

12. Board Effectiveness

- 12.1 The Board reflected on the extent to which it had performed its role successfully at this meeting. It was noted that papers should be clear about what executive colleagues are looking for in terms of advice and guidance and members should consider the whole agenda when deciding when to raise issues. The Board noted that papers were better quality (shorter, more strategic) at this meeting than in the past, allowing more time for substantive and strategic discussion. The Board thanked the executive team for their work.

13. Any other business

- 13.1 The Board noted that the 2023/24 Annual Business Plan had been published at the beginning of April and wished to record the Board's appreciation for this excellent piece of work.

14. Next scheduled meeting

- 14.1 The next meeting will be held on 20 July 2023.

Version Control		
		Version number
Date minutes sent to chair	5 June 2023	0.1
Date approved by chair	12 July 2023	0.1
Date approved by board/committee	20 July 2023	1.0
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