



Scottish Public  
Pensions Agency  
Buidheann Peinneanan  
Poblach na h-Alba

# **Building a better SPPA**

## **Our Annual Business Plan**

### **2024/2025**

# What's inside

## Contents

[Page 3](#)

**CEO Foreword**

[Page 5](#)

**Our Vision and Purpose**

[Page 6](#)

**Our Strategic Aims**

[Page 8](#)

**Our year in numbers**

[Page 9](#)

**What we do**

[Page 11](#)

**Who we are**

[Page 13](#)

**Who we work with**

[Page 14](#)

**Our Business Priorities**

[Page 20](#)

**How we will measure success**

[Page 21](#)

**Budget 2024/2025**

# CEO Foreword

We're now in year three of our 2022-2027 Corporate Plan where we set out our strategy for building a better SPPA. While it's not an easy road, with new challenges cropping up along the way, we are making good progress towards delivering better service for our members and better value for the people of Scotland.

We're reducing complexity, making operational improvements, and building capacity for change. At the same time we are continuing to pay pensions accurately and on time, and delivering the 2015 Remedy.

In 2023/24 we started our first ever programme of webinars focused on members planning to retire, changed our customer service phone system to ensure members get the help they need more quickly and efficiently, and implemented Phase 1 of our project to transform our pension administration system.

The updated system will provide major benefits for our members including new tools to help them access and understand their pension. In the coming financial year this project will focus heavily on data improvement which will underpin all our efforts to enhance the member experience and introduce more automation.

Our colleagues will always be our key asset, so developing our workforce has been a key commitment. We've continued to invest in training and other support services and have seen a four-point improvement in colleague engagement in the 2023 People Survey.

Delivering the 2015 Remedy remains a substantial project for the SPPA. This major legislative change, affecting over 200,000 members, is possibly the most complex we have ever managed, and significant resource has been dedicated to delivering the requirements.

We are taking a prioritised, phased approach and appreciate the patience and understanding of scheme members.

In this business year we will also start sending out Remediable Service Statements to all affected members. These statements will allow members who have already retired to compare their pension benefits in their legacy and reformed schemes and retrospectively choose their preferred option for the Remedy period. We are working to automate some of the processes involved and are confident we are on track to meet the final deadline of March 2025.

Our strategic priorities for 2024/25 are largely unchanged from last year. We still need to focus on paying pensions accurately and on time, building our capability, implementing Remedy and delivering an updated pensions administration platform. We must also strive to improve our service while being more cost effective.

While we have always prioritised reducing 'our cost to serve', this aim has been pushed to the fore this year as we work within a more restrictive budget. We will be deploying a range of measures to balance our budget, including automation and digitisation, maximising the use of our estate, and other efficiency measures.



**David Robb**  
Chief Executive Officer

# CEO Foreword - continued

Finally, I have to announce that this will be my last Annual Business Plan for the SPPA as I will retire in the summer. As I write this, a recruitment process is underway to find my successor. I am proud to be closing the final chapter of my 35-year Civil Service career in the SPPA - it is enormously satisfying to lead a team providing a vital service to key workers across Scotland.

My thanks to the talented team at Tweedbank and to all who have assisted us over the past three years - I hope the Agency can continue to count on your support in the years to come.

**It remains our honour and privilege to serve those who serve Scotland.**

David Robb

Chief Executive Officer



## **Our Vision**

We will help protect our members' financial futures by giving them greater understanding and control of their pension.

## **Our Purpose**

Effectively administer pensions and support over half a million of Scotland's key workers - paying pensions accurately and on time.



# Our Strategic Aims

Deliver excellent services for our members

Build our capability  
and become an  
employer of choice

Be change positive

Be proud of our  
workplace

# Our Ways of Working



Bring the outside in



Improve every day



Always add value

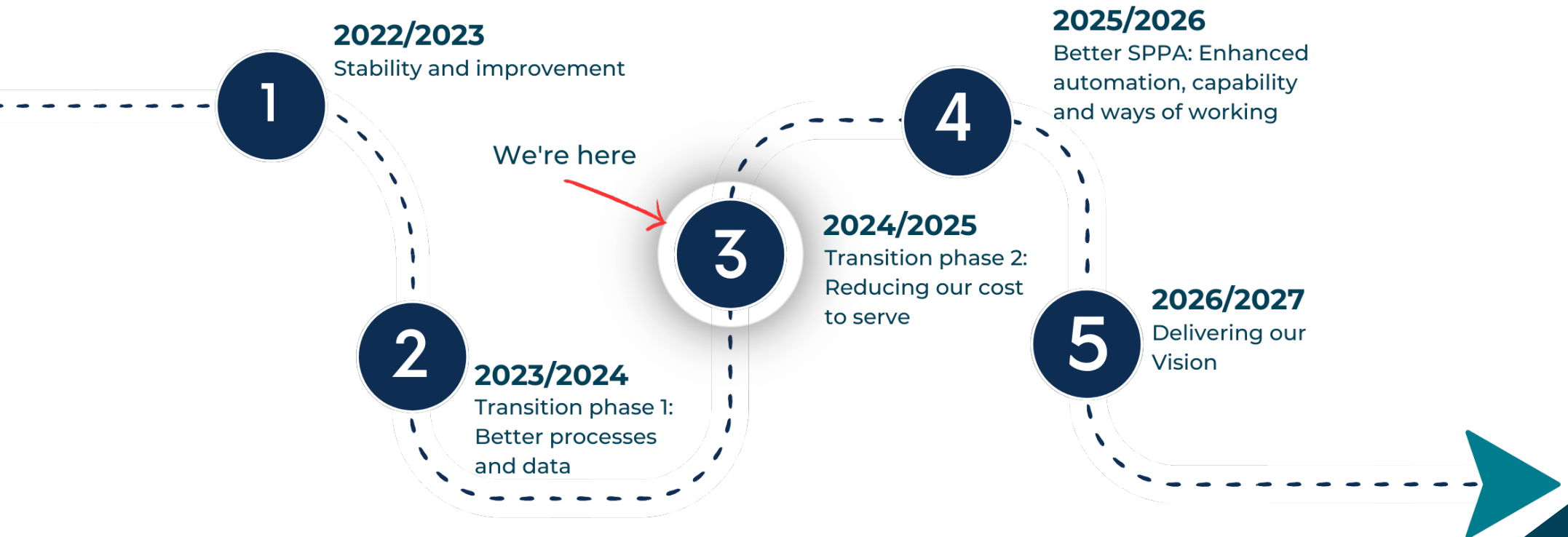


# Corporate Plan and Roadmap

Our Corporate Plan sets out our roadmap to stabilise, improve and deliver on our vision to help protect our members' financial futures by giving them greater understanding and control of their pension. The Annual Business Plan sets out the activities and priorities we take each year to deliver on our longer-term goals.

In 2024/25 we will continue to stabilise and improve our processes and data and move towards Phase 2: Reducing our cost to serve.

This year's plan has therefore been developed as a continuation of 2023/24 plan, with our priorities and activities updated to reflect the next step in this journey.



# Our year in numbers

2024/2025

## Our members

We have 640,000+ members across our schemes

**640,000+**

**£3.7 Billion**

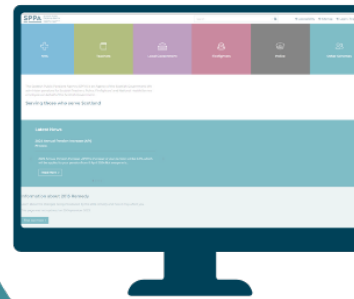


## Annual Pension Spend

We have an annual provisional pension spend of over £3.7 Billion

## Our website

Our website has just under 10,000 visits a day



**390+**

## Our Colleagues

We have 390+ colleagues



# What we do

The Scottish Public Pensions Agency is an Agency of the Scottish Government. We administer pensions for over 640,000 Scottish teachers, police, firefighters and National Health Service employees. We also develop the regulations for these schemes and provide advice to Scottish Ministers on public sector pension issues.

The SPPA provides a pension calculation service for the Legal Aid (Scotland) Pension Scheme and the Scottish Parliamentary Pension Scheme.



# What we do

## **2015 Remedy**

On 1 April 2015, public sector pension schemes were reformed, and the Career Average Revalued Earnings (CARE) pension scheme was introduced (also known as the 2015 scheme). Most members were moved from their legacy scheme into this new scheme, but some older members were able to stay in the earlier schemes. This was found to discriminate against younger members.

The 2015 Remedy aims to rectify that discrimination. We are giving all eligible members a choice between legacy scheme pension benefits, and 2015 scheme pension benefits, for the Remedy period (1 April 2015 to 31 March 2022). To find out more please visit our 2015 Remedy hub on our website.

## **Pre reform scheme closure**

From 1 April 2022, all of our NHS, teachers, police and fire members became members of the 2015 CARE pension scheme and the pre-reform schemes are closed.

# Who we are

**The SPPA is an Agency of the Scottish Government based in Tweedbank in the Scottish Borders.**

We have 390+ colleagues making us one of the largest employers in the region.

**The Agency has six main business areas:**

- Operations
- Finance and Procurement
- People
- Strategy and Communications
- Policy
- Projects

At the SPPA, our people are our most important asset. They play a key role in delivering our purpose and vision.

We are aiming to build an environment where colleagues are empowered to develop their careers and take more control of their work/life balance. This means creating the right opportunities for our people to progress and build a career with the SPPA and Scottish Government.

Our 2024/25 plan therefore reflects our commitment to the development and experience of our colleagues. Through building a diverse and capable workforce we will ensure the organisation is able to provide an excellent service for our members in the longer term.



# Who we are

## Our Executive Team



**David Robb**  
Chief Executive  
Officer



**Frances Graham**  
Chief Operating  
Officer



**Debbie Trafford**  
Head of People



**Laura Pacey**  
Head of Strategy  
and Communications



**Iain Coltman**  
Head of Policy



**John Burns**  
Head of Finance  
and Procurement

# Who we work with

## Pension Boards

We have four Pension Boards covering our Police, Firefighters, NHS and Teachers Schemes.

The Boards have an equal number of employer representatives and member representatives, and each are led by an independent chair and independent vice-chair.

Pension Boards are responsible for assisting the Scheme Manager with the governance and administration of the scheme. This includes ensuring compliance with the scheme regulations, and any other relevant legislation and requirements as set out by the Pensions Regulator in relation to the scheme.

## Management Advisory Board

The Management Advisory Board (MAB) is made up of highly skilled and experienced non-executive members who provide the Executive Team with counsel, guidance and support to best deliver the Agency's strategic commitments. It meets on a quarterly basis.

## Audit and Risk Committee

The Audit and Risk Committee (ARC) is a subcommittee of the MAB and meets on a quarterly basis. The committee's responsibilities are to provide advice on issues of risk and controls, finance, governance and assurance. It is currently made up of three non-executives from the MAB and we plan to add an independent member.

## Scheme Advisory Board

The five Scheme Advisory Boards (SABs) provide advice to Scottish Ministers on the desirability of changes to the Scottish schemes.

Boards comprise employer and member representatives and board members have a wide-ranging experience of workforce issues and public sector pensions. The SPPA provides secretariat support for the four unfunded NHS and Teachers schemes and chairs the Police and Firefighters boards.

## People Committee

The People Committee was established in 2023 to support the Executive Team in the discharging of people-related duties through a process of review, constructive challenge and providing relevant advice.

More information on who we work with can be found on the Boards and Corporate Governance section of our [website](#).

# Our Business Priorities

## This year our business priorities are:

1. Improve our service whilst being more cost effective
2. Effectively support members, employers and colleagues through 2015 Remedy
3. Deliver Phase 2 of the pension administration platform improvement programme

## To enable us to deliver these priorities we will:

Increase our capability and improve our colleague experience.



# Our Business Priorities



## 1. Improve our service whilst being more cost effective

### We will improve our service whilst being more cost effective by:

- replacing email with webform and reducing our backlogs, which will enable us to respond to customers quicker.
- working closely with stakeholders, such as members, employers and pension boards, to deliver improvements for customers.
- continuing our Ready for Retirement webinars, improving our website content and introducing member newsletters.
- working towards automation, digitisation and self-service.
- focusing on 'right first time'.
- introducing more robust customer satisfaction measures.
- streamlining our risk registers, and more closely aligning risk, data protection audit and compliance, and building our network of risk champions.

### What success will look like:

- we will continue to pay new awards accurately and on time.
- response times to customer emails/webform will reduce.
- our Customer Satisfaction scores will improve.
- we will work within our allocated budget.
- by automating some of our manual processes, we will release the equivalent of at least four full-time colleagues, so they can focus on other areas which add value.
- more visitors to our website will report finding our content useful.

# Our Business Priorities

## 2. Effectively support our members, employers and colleagues through 2015 Remedy

### We will support members through Remedy by:

- providing members with Remediable Service Statements.
- maintaining an up-to-date Remedy Hub on our website.
- working closely with other stakeholders, such as employers and unions, so that messages reach as many people as possible.

### We will support employers through Remedy by:

- regularly engaging through our Boards and Technical and Joint Working Groups.
- maintaining an up-to-date Remedy Hub on our website and sending regular issues of our employer newsletter.

### We will support colleagues through Remedy by:

- providing Remedy specific training to all customer-facing colleagues and providing regular updates on progress.
- being clear about roles and responsibilities within Remedy processes.

### What success will look like:

- we will provide deferred members with a Remediable Service Statement by 30 September 2024.
- we will provide retired members with a Remediable Service Statement by 31 March 2025.





# Our Business Priorities

## 3. Deliver phase two of the pensions administration platform improvement programme

**We will deliver phase two of the pensions administration platform improvement programme by:**

- fixing issues with how member records are structured and how key calculations are done.
- setting up a new online member portal (Engage) for all pension schemes, helping members to access their pension information online.
- introducing a system called i-Connect for the NHS and Teachers pension schemes, which will make it easier for employers to send us information about their members.
- cleansing and organising our member and employer data. This will support the launch of the online pensions' dashboard, our new member portal, and other pension calculations.
- further automating key operational processes focusing on improving efficiency.



**What success will look like:**

- active members will be able to use the new online portal by 31 March 2025.

# Enabling Our Business Priorities

## Increase our capability and improve our colleague experience

**We will deliver a People Strategy, setting out how we will increase our capability by:**

- increasing resilience through succession planning and improved knowledge transfer.
- adapting to change by developing training pathways to futureproof key roles, and clearly linking training spend to our capability priorities.
- investing in technical skills and making use of digital training resources.

**We will improve our colleague experience by:**

- keeping our colleagues informed and engaged throughout organisational change.
- supporting our staff by improving managers' leadership, change and communication skills.
- moving to a 35-hour working week in October 2024 in line with the wider Scottish Government, and to promote wellbeing and productivity.
- maintaining our building in Tweedbank as a great place to work collaboratively with colleagues.

**What success will look like:**

- we will have a People Strategy in place by 31 October 2024.
- we will improve our overall Learning and Development score in the People Survey.
- we will improve our headline engagement score in the People Survey.

# Our 2024/25 Key Performance Indicators

This Annual Business Plan sets out a revised set of key performance indicators (KPIs) aligned to our business priorities for the year. These measures have been developed through engagement with colleagues and key stakeholders to ensure that they allow us to properly assess our performance against what we want to achieve.

## KPIs:

- new awards are paid accurately and on time.
- response times to customer emails / webforms will reduce.
- our customer satisfaction scores will improve.
- we will work within our allocated budget.
- by automating some of our manual processes, we will release the equivalent of four full-time colleagues, so they can focus on other areas which add value.
- more visitors to our website will report finding our content useful.
- we will provide deferred members with a Remediable Service Statement by 30 September 2024.
- we will provide retired members with a Remediable Service Statement by 31 March 2025.
- our new online portal will be available to all active members by 31 March 2025.
- our People Strategy will be in place by 31 October 2024.
- our overall Learning and Development score in the People Survey will increase.
- our headline engagement score on the People Survey will increase.

# How we will measure success

## Measuring, monitoring and reporting performance is essential for:

- understanding what success looks like.
- identifying what we are doing well.
- identifying where we can improve.
- enabling our teams to make the right decisions at the right time.
- making sure we are delivering on our commitments.

## We provide colleagues with regular business intelligence to facilitate ongoing performance monitoring. Reports on our strategic performance are delivered:

- monthly to our Executive Team and made available to all colleagues.
- quarterly to our Management Advisory Board, Pension Boards and Director General.
- annually through our Annual Report and Accounts.

We will continue to improve our performance through gathering and acting on feedback from our members, colleagues and stakeholders. It's only through this commitment to understanding our users and how we can best support them, that we will deliver on our priorities and achieve our vision.

# Budget 2024/25

## Our financial principles

We are focused on paying pensions accurately and on time and our members rely on us to get it right. Financial transparency is an important focus particularly as we continue to work to reduce our cost to serve, delivering better value for the taxpayer. This will remain an important priority for us in the years ahead and we will identify ways we can operate more efficiently while still delivering and improving our core services.

## SPPA Agency Administration 2024/25 Budget

	SPPA	BAU	Projects
<b>Fiscal Resource</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Pay	19,340	15,740	3,600
Non Pay	5,960	5,200	760
<b>Total</b>	<b>25,300</b>	<b>20,940</b>	<b>4,360</b>
<b>Capital</b>	<b>1,700</b>	<b>-</b>	<b>1,700</b>

# Serving those who serve Scotland



**SPPA**

Scottish Public  
Pensions Agency  
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