



Scottish Public
Pensions Agency
Buidheann Peinnseanan
Poblach na h-Alba

Management Advisory Board Terms of Reference August 2025

Purpose:

This document outlines the need for and objectives of the SPPA Management Advisory Board, its role in the governance of the Agency, the role of Board members, frequency and quorum of Board meetings.

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1. Background

The functions and responsibilities of the SPPA are set out in the publication '[Scottish Public Pensions Agency Framework Document](#)'. The Scottish Government publication [On Board: A Guide for Members of Management Advisory Boards](#)' informs the arrangements at SPPA for its own Management Advisory Board (MAB).

2. Role of the Board

The main role of the MAB is set out in broad terms in Guidance Note 3 of the Scottish Government's 'On Board' guidance.

The main role of the Management Advisory Board is to assist the SPPA in the strategic planning and delivery of its functions and to offer advice, support and challenge to the Chief Executive Officer and Executive Team; assisting SPPA to improve performance, promote good governance, best value, and identify and manage risks.

The SPPA has also established an Audit and Risk Committee (ARC), which is distinct from MAB. The ARC supports the office holder in discharging responsibilities for issues of risk and controls, finance, governance and associated assurance through a process of review, constructive challenge and providing relevant advice.

The Chief Executive Officer is solely responsible for the overall organisation, management and staffing of SPPA. The MAB supports the Chief Executive Officer and their Executive Team in focusing on the corporate issues around strategy, risk, performance and corporate governance.

Board members are not appointed to hold the Chief Executive or Executive Team to account. Non-Executive Members should be encouraged by the Chief Executive Officer to offer advice and constructive challenge through frank and open discussion.

The Board provides advice, support, and challenge in any areas which the Chief Executive Officer would like their assistance, to help SPPA in the decision-making process, so the process and the reasons for decisions are transparent.

3. Membership

The MAB is made up of SPPA Executive Team members and between four and eight externally appointed non-executive members.

The appointment of non-executive members to the MAB will be made by the Chief Executive via an open recruitment process that follows the SG public appointments recruitment guidelines. Appointments will be made on the basis of the Agency's

specific business needs and to achieve as diverse a membership and skill set as possible.

The standard term of appointment is for a period of four years and the maximum number of full terms should be limited to two, up to a total of eight years.

The Chief Executive Officer is responsible for all operational aspects of the MAB. The meetings of the Board will be chaired by a MAB member.

SPPA senior officials will be invited to attend to present issues for discussion and seek the Board's counsel.

The Agency is striving to achieve diversity and inclusion across all of its Boards. To support the Agency in its strategic objectives, a broad range of skills, knowledge, backgrounds and experience is required from Board members. By offering different perspectives there is the likelihood of more constructive challenge and more open views on risks and decision-making. When recruiting and appointing new members to the MAB, SPPA will ensure compliance with Scottish Government and Agency equality and diversity requirements and commitments. The presiding interview panel is at the Chief Executive's discretion however this will ordinarily comprise the Chief Executive Officer as Chair, an existing non-executive MAB member and a senior official. An additional independent panel member, for example a senior official from elsewhere in Scottish Government, may be invited to join.

4.Roles

The role of the Chief Executive Officer is to:

- ensure that the Board has the ability to carry out its functions effectively;
- ensure that the Board are provided with enough information to provide advice and counsel;
- ensure that the work of the Board and its committee(s) is subject to annual self-assessment;
- ensure that the MAB has the right mix of skills;
- ensure that an appraisal of member performance is carried out annually;
- ensure that the Board maintains and upholds the [SPPA Code of Conduct for Non-Executive Members](#);
- approve the Board meeting agenda.

The role of the Chair is to:

- advise, assist and support the Chief Executive
- chair the Board meeting
- lead the Board and ensure that the Board carries out its functions effectively;

- agree and support the Board's approach to the establishment of sub-committees, where necessary;
- ensure that the Board considers reports issued from established committees;
- undertake other activities, such as attending performance meetings with Portfolio Accountable Officer

The Chief Executive Officer and Board Chair should discuss and agree the Board meeting agenda.

The role of all individual Board members is to:

- engage with papers and attend Board events on a regular basis in person, or remotely if necessary;
- understand the Agency's operational environment, keeping up to date with subjects relevant to the Agency's work, and provide an external perspective to the work of the Agency;
- contribute to the work of the Board, and any committee(s) to which they are appointed, in relation to the areas identified in its role/remit and predominantly in respect to issues of strategy, performance, risk management and resources;
- as far as is practical, support the work of the Agency through ad-hoc advice, working groups and other requests; e.g. involvement in project boards.
- comply at all times with the [SPPA Code of Conduct for Non-Executive Members](#); based upon the key principles outlined [in Model code of conduct for members of devolved public bodies](#);
- take part in the annual appraisal process and contribute to the Board self-assessment.

Secretariat will be provided by the SPPA Corporate Governance Team.

5. Meetings/events

Meetings/events will take place a minimum of three times a year, aligned with the Board schedule, and if necessary, called at short notice to deal with urgent issues.

A quorum will be achieved by the attendance (online or in person) of:

- 50% of the appointed Non-Executive Members, with at least one member of ARC present
- Chief Executive Officer or delegate, plus two other members of the SPPA leadership team.

Board members will attend meetings either in person or online, depending on Agency working practices and guidelines.

Where additional or "extraordinary" meetings are arranged on a frequent basis to deal with a specific issue, the Chair of the MAB may discuss arrangements for

establishing a sub-committee to deal with the issue until a full resolution has been achieved.

6. Agenda Items

MAB discussions will focus on strategic issues, such as business planning, five-year strategy, investment in infrastructure and systems and therefore the agenda for the MAB should remain flexible to suit the operational demands of the Agency and Scottish Government.

The outline of the standing agenda for the MAB is outlined in the Agenda Planner and may be managed by exception. This is summarised as follows:

- Register of Interests
- Minutes of previous meeting and review of actions
- Audit and Risk Committee update, when requested
- Updates from current Committee(s), when required
- Key Performance Update
- Agency Risk Register
- Strategic discussion topics

Non-Executive Members can suggest items be added to the agenda as necessary to ensure fulfilment of their role, such as:

- Updates or strategic decisions affecting systems relating to the efficient administration of pensions
- New policy and/or policy update (e.g. whistleblowing, fraud response, etc.)
- Progress reports on major projects
- Pension Scheme valuations progress report.

7. Remuneration

Non-Executive Members of the Board are entitled to remuneration. The rate is agreed on appointment in accordance with standard Scottish Government terms. Qualifying travel expenses will also be paid upon submission of valid claims and receipts in accordance with standard terms to all Non-Executive Members of the Board.