

Teachers' Pension Scheme Pension Board Executive Summary 1 January 2018 – 31 March 2019

1. The Teachers' Pension Scheme Pension Board (the Board) was set up in 2015 to provide additional assurance to members, employers, the Secretary of State for Education and taxpayers that the Teachers' Pension Scheme (TPS) is being administered efficiently, effectively and in accordance with the scheme rules.

2. The Board effectively focus and challenge in key areas through its four sub-committees, which meet quarterly:

- **Service Delivery and Maintenance of Data** – scrutinising the arrangements for managing the scheme administration;
- **Information to Members and Communications** – scrutinising the engagement plan to ensure key messages are provided to members and employers;
- **Managing Risk and Internal Controls** – focusing on the scheme financial administration and the framework for control and accountability; and
- **Commercial** – focusing on the service required after 2021, and ensuring that it will offer value for money.

3. Board and sub-committee meetings are well attended, with helpful and informative input and challenge from all Board members. The Board has undertaken a large volume and wide range of work at both sub-committee and Board level, including an increased focus on deep dive and cross cutting issues, such as the clarification of audit and governance arrangements. The Chair ensures an effective balance between reviewing recent performance and forward looking strategic planning, and a clear focus on both the scheme administrator's (Teachers' Pensions (TP)) and the department's roles in delivering the scheme.

Key Areas of Activity and Challenge:

4. The Board has contributed to several projects and has challenged where service to members and employers fell short:

- **Monthly Contributions Reconciliation:** The Board supports and challenges the progress of the Monthly Contributions Reconciliation (MCR) project because this will significantly improve the arrangements for reconciling the contributions submitted by employers, by allowing any issues to be addressed more or less immediately.
- **Communications with members:** The Board has taken a keen interest in how TP communicates with members, in particular where correspondence is being issued to a large section of the member population. For example, the Board provided helpful comments on correspondence associated with the Guaranteed Minimum Pension rectification exercise to ensure that the letter to members was clear.
- **Bereavement Casework:** The Board challenged the department to ensure that TP's bereavement casework performance was being adequately scrutinised. The Board monitored TP's progress in clearing outstanding casework against TP's plan, and satisfied themselves that new casework was being progressed timeously.

- **Engagement Strategy** – The Board has encouraged TP to look at communications to specific sections of the TPS population, for example, part-time and supply staff. This helps to ensure the different needs of different groups are better recognised and addressed. The Board also supports the move to increase the availability of digital channels of communication, and have recently supported the introduction of Webchat.
- **The Pensions Regulator:** The Board encourages TP to work closely with the Regulator to ensure compliance with its Code, breaches are reported, and the Regulator’s support is sought when contributions are not paid timeously.
- **Telephony:** In light of problems encountered by members and employers trying to contact Teachers’ Pensions by telephone towards the end of 2017, the Board pressed TP to make improvements to the service. The Board scrutinised performance data to reassure themselves that improvements were being made and a good service was given. The Board closely monitored the impact of the additional resources employed at TP, noting the improvements in call waiting times.
- **Scheme’s Annual Report and Accounts:** The Board monitored the progress of the Scheme Accounts and was pleased to note that the annual [TPS Accounts](#) were successfully laid in Parliament, and were unqualified for the third consecutive year, having received no significant queries from scrutiny bodies. The Board had a specific role in respect of reviewing and challenging the ‘Governance Statement’.
- **Internal Audit:** The Board has had a direct role in influencing the internal Scheme Audit strategy and supported delivery of the business-as-usual audit function by commenting on and shaping the annual audit plan, in consultation with the department and the Government Internal Audit Agency (GIAA).

Summary:

5. The Board has had an effective year of operation, building its role to focus on specific elements of the administration whilst challenging and pressing TP and the department, on matters where it considers improvement should be made. The Board will continue to focus its efforts to ensure that members’ and employers’ needs and expectations continue to be met.