

**Teachers' Pension Scheme Pension Board (TPSPB)
19 January 2022 (By Teams Teleconference)**

MINUTES

Present:		Also Attending:	
Neville Mackay (Chair)	NM	Richard Giles (Head of TP)	RG
Susan Anyan (Independent Pension Specialist)	SA	Danielle Barker (TP, Head of Operations)	DBa
David Butcher (Employer representative)	DB	Amy Gibbs (TP, Head of Governance and Risk)	AG
Kate Atkinson (Member representative)	KA	John Brown (DfE Head of Policy Projects)	JB
Heather McKenzie (Member representative)	HM	Jeff Rogerson (DfE Head of Assurance and Planning)	JR
Julie Huckstep (Member representative)	JH	Sue Crane (DfE Head of Supplier Management)	SC
Susan Fielden (Employer representative)	SF	Anna-Marie Alderson (DfE Senior Contract Manager and Programme Management Office)	AA
John Pratten (Employer representative)	JP	Antony Evans (DfE Future Services Manager)	AE
Jackie Wood (Employer representative)	JW	Matthew Barrow (DfE Transition Manager)	MB
Peter Strike (Member representative)	PS	Secretariat	
Simon Lowe (Employer representative)	SL	Kathryn Symms	KS
Chris Jones (Member representative)	CJ	Helen Cowan	HC
Iain King (Director, DfE)	IK	Kelly Elliott	KE
Peter Springhall (Acting Deputy Director, DfE)	PSp		

	Item	Action
Agenda item 1	<p>Introduction, attendance, apologies:</p> <ul style="list-style-type: none"> NM welcomed everyone to the meeting and introduced Susan Fielden, the new employer representative. SF explained that she is a school finance specialist by profession, currently working as Chief Finance Officer for a ten-school MAT in Somerset. She also works for the Confederation of School Trusts as their Trust Funding specialist. NM advised the Board that Teachers' Pensions (TP) staff would not be in attendance until after agenda item 3. <p>Minutes of the previous meeting (Paper 2):</p> <ul style="list-style-type: none"> The minutes were agreed as an accurate record of the meeting of 20 October 2021. <p>Register of Interests (Paper 3):</p> <ul style="list-style-type: none"> NM noted that the register had been updated ahead of the meeting and that none of the declared potential conflicts precluded anyone from participating in the meeting. 	
Agenda item 2	<p>Actions update (Paper 4):</p> <ul style="list-style-type: none"> The Board noted that all actions arising from the last meeting in July were fulfilled and closed. 	

	<ul style="list-style-type: none"> KS confirmed that at the December sub-committee meetings, it was agreed that Annex B of the quarterly report would not be produced in March. 	
Agenda item 3	<p>Cross Cutting Strategic Issue – 2025 Contract – Progress of procurement and transition planning</p> <p>The remainder of this section has been removed to ensure commercial sensitivities are maintained. A full set of minutes (and actions) will be produced from the sub-committee meeting, which took place on the morning of 19 January 2022 and will be shared with Board members. A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.</p>	
TP colleagues joined the call		
Agenda Item 4	<p>Six Strategic Objectives – Six-monthly Update</p> <ul style="list-style-type: none"> RG explained that the Six Strategic Objectives paper reported on performance for the six months up to 31 October 2021. Overall the position was good, and had improved from that reported in July (up to 30 April 2021). Five of the six RAG ratings are now green. Stakeholder engagement remains at amber. RG explained that the complaints measure has been revised to make it more relevant by expressing the number of complaints received as a percentage of the number of customer “touchpoints” (contact by email, phone, letter etc). Previously the complaints were compared against the membership whether members had contacted TP or not. Additionally, TP no longer measure the percentage number of complaints that become Independent Dispute Resolution (IDR) cases because a low number of complaints could skew the outcome. Instead, TP measure the number of cases where TP’s decision is upheld by the Department at the IDR stage. This measure is performing within target. Overall member satisfaction is below target. RG explained that a likely cause is TP’s move to a new email provider because of possible security issues with some planned changes to the original email platform. This transfer took several weeks and meant that members were unable to email TP, leading to dissatisfaction with the service. Within Objective Four, the Transitional Protection commercials are progressing, but the amber rating reflects that there are two matters outstanding before sign-off. Similarly, the amber rating for the Monthly Contributions Reconciliation reflects the current review of the timeline for this project. Following a checkpoint in November, fewer employers than expected have onboarded or are ready to onboard. The Steering Board will consider proposals to extend the timeframe in January. NM noted that five of the six objectives had been well met, and that the sixth had almost been met, reflecting a very satisfactory 	

	<p>overall position.</p> <ul style="list-style-type: none"> • PS echoed the positive tone of the paper, but noted that the results of the Institute of Customer Services survey results were disappointing in some respects. RG noted that the survey was carried out in early 2021. Although it was an improvement on the 2019 survey, TP has worked hard in the last 12 months – particularly on the people strategy – to improve the position. RG confirmed that the survey will be repeated in 2022. • JH explained that the Information to Members and Communications sub-committee had considered the results in detail in December. • She advised that the same percentage of staff had responded to the survey as in 2019. Younger staff had tended to score higher – apart from on creativity within the organisation. • The importance of good customer service came through – with many staff commenting that IT often hampered them. • JH explained that TP had done a lot of work around rewarding and appreciating staff – whether that was financial or thanks for work well done. • She described the word cloud of adjectives created from survey responses, which indicated frequent use of the words “frustration” and “satisfied” - indicating the wide range of feelings from those completing the survey. • Quicker response times and direct contact with customers were the two main improvements suggested by staff, who recognised that members having to repeat their story every time they called TP was extremely frustrating. • NM enquired whether RG felt the survey was a fair reflection. RG agreed that it was, because it reflected how people felt at the time of the survey. TP has taken the results seriously. Changes have been made already and TP has designed an action plan to tackle feedback in other areas. • RG noted that member feedback was polarised - with scores of 10 and scores of 2/3 out of 10. This demonstrates the striking difference in member experience. TP is keen to level that up with more consistent higher scores. • SF requested sight of the mechanism for employer satisfaction feedback which RG agreed to provide. • NM concluded that the Board had found the paper and subsequent discussion helpful, and that it was reassuring to see that, generally, the six key areas are performing well at a strategic level. He thanked TP staff for their efforts. 	AP1/190122
Agenda item 5	<p>Independent Pension Specialist Update:</p> <ul style="list-style-type: none"> • SA noted the Pensions Regulator (TPR) had delayed the second consultation on its draft defined benefit (DB) funding code. • The Pensions Regulator was currently very busy and therefore has been less engaged with the Teachers’ Pensions Scheme (TPS) than in the past. TPR is placing more emphasis on getting the Code of Practice right and how it will be implemented in private schemes. This could reflect a confidence in the running of the scheme, as Capita swiftly raise issues with the Regulator when necessary. • SA noted that one governance aspect that could be relevant was 	

	<p>the new approach to own risk assessments. Although the public service is exempt from the changes, aspiring to the new code was something the scheme should consider.</p> <ul style="list-style-type: none"> • NM asked if the increased TPR focus on private sector schemes over public schemes was likely to be an ongoing trend, • SA advised that the Regulator’s focus was determined by resource availability and followed a risk-based approach. It was more likely that the Regulator felt the public sector schemes were currently lower risk. They were more concerned about private sector risks, due to an increase in business failures and acquisitions, and concerns that the funding of private sector schemes needed to be addressed in a more robust way. Although this was a change of direction, focus may return to the public sector. • NM commented that the scheme was prepared to engage with the Regulator in an open and transparent way and the process of engagement was something that the Department and TP carried out on a reasonably regular basis. • Article 4 of SA’s paper addresses the consultation on the NHS pension scheme changes. The scheme differs from the TPS in that there is a greater range of salaries and employee types within the NHS. The consultation about the number of salary tiers is something to reflect on as a point of interest. • SL commented on the large salary range of teachers. JR agreed that the TPS does have high earners, but not as many as the NHS Scheme. • JR went on to explain that the TPS already uses actual earnings to determine the member’s contribution tier. There is a commitment to review the contribution tiers at each Valuation cycle. Any discussions will be held through the SAB, but the Board will be kept up to date. • SA noted that the Financial Conduct Authority (FCA) and the Regulator have published a joint discussion paper, which is not relevant to the TPS, but may be relevant to the TAVC scheme. • SA also advised that the Pensions’ Ombudsman (PO) has published guidance regarding best practice. The TPS aspires to early resolution already and TP has a good working relationship with the PO. • Clara-pensions is not relevant to TPS but is relevant to funded private sector schemes that might find themselves in distress and cannot afford to buy out. This is an interim secure solution and is new and a big change in the funded, defined benefit world. 	
<p>Agenda Item 6</p>	<p>Scheme Advisory Board (SAB) Update:</p> <ul style="list-style-type: none"> • JB reported that the SAB sub-groups have been working through the various policy proposals on the Transitional Protection project and have provided advice and feedback. • The regulations are currently on schedule. The Bill has had its second reading and the Committee stage is scheduled for 27 January. The public service schemes have collectively suggested some minor amendments. The Department has also submitted an amendment to address the unique TPS/LGPS relationship. 	

	<ul style="list-style-type: none"> • The legacy scheme is due to close on 31 March; therefore the communications campaign has started. This will include letters to every protected member i.e. those members who will remain in the Final Salary Scheme until 31 March, before joining the new Scheme; information to employers; and more generic information through employer and member newsletters – including to those not affected by the scheme closure. • JB mentioned that capacity in his team was low, and he is in the process of a recruitment campaign. There has been huge interest in the posts and he hopes to have a full cohort in place to deal with the busiest phase of the Transitional Protection work (consultation, regulations and implementation). • NM asked whether the Department is engaging at a senior level with HMT to explain the risks of any policy/legislative delays on their part. Although this is recorded and monitored closely as a risk, JB assured the Board that the legislation is on schedule, and at this stage such an escalation is not necessary. • NM asked for further details about the recruitment exercise. • JB advised that he needed five staff (across EO and HEO grades), and that the campaign is well underway, with around 170 applications received for each grade posts. There are also two SEO vacancies - interviews are being held in January. • JB stressed that there has been support from across PSp's Division to ensure his team's work has progressed well. • Offering apprenticeships and allowing new staff to work on sites across England has attracted many applications, and it is hoped, a longer term buy-in from successful applicants. • NM was reassured, and invited PSp to give an overview of the Division as a whole. PSp confirmed that there were a small number of vacancies across the rest of the Division, but he is able to move staff to priority work. <p>Valuation Update</p> <ul style="list-style-type: none"> • JR advised the outcome of the SCAPE Discount Rate methodology consultation is still awaited from Treasury. The Department is continuing to talk through the thinking with Treasury – especially the possible impact on school budgets. The position is expected to be finalised within the next three to four weeks, and at that stage a key component of the 2020 Valuation process will be determined. • The 2016 Valuation cost cap will be announced in the next two to three weeks. There will be some communications work required, but it is expected that there will be minimal administrative change. 	
Agenda item 7	<p>Service Delivery & Maintenance of Data sub-committee update:</p> <p>Bereavements and the Contact Centre</p> <ul style="list-style-type: none"> • JW advised that the sub-committee had been presented with a review of the Bereavement process and the measures that were implemented in August 2021. Completed applications were finalised immediately, and those that required third party information were now processed through a different route. • The letter templates had been reviewed and contact was more frequent with applicants to provide updates on case progress. The revised process appeared to have been successful as the 	

	<p>SLA performance was being maintained.</p> <ul style="list-style-type: none"> • A remediation plan was put into place for the Contact Centre in July 2021. To improve staffing issues, employees were now recruited two in advance. • During the Autumn there was some staff attrition, but the recruitment of staff in advance was managing this and customer service had been maintained from September. There had also been improvement to the 12a & 12b SLAs. <p>Learning and Development</p> <ul style="list-style-type: none"> • JW advised that DBa had provided the sub-committee with a detailed presentation on Learning and Development. This explained the induction process for new starters and included a specific training programme for contact centre staff. A knowledge base was accessible for staff, where processes and information were stored. This could be accessed by all staff, not just new starters. • Training had been delivered both remotely and face-to-face, with knowledge quizzes to test learning. The quiz had a pass rate of 85% and the results were shared with managers for training discussion. • There were many development and learning opportunities for TP staff, such as the Capita Academy and apprenticeship schemes, which were offered at all levels. There was also a pilot for pension administrators to undertake a level three diploma. The focus on skills and well-being was linked to employee satisfaction. • All staff have a training structure implemented each year which feeds into succession and workforce planning in general, ensuring TP has the right number of staff at the right level. <p>Service improvements</p> <ul style="list-style-type: none"> • JW advised that several ongoing activities designed to improve the accuracy of scheme data: Monthly Data Collection (MDC) checklists; member self-service; and the move the MCR. • Employers report members' service monthly, with TP notifying them of any data disparities to be addressed. Messages are issued to members to check any outstanding discrepancies in their service. Finally, employers are moving from MDC to monthly contributions reconciliation (MCR) and were currently onboarding to the new system. • As part of the continuous improvement programme, the Live Person bot had been introduced, as well as the facility for members to send and receive messages via WhatsApp. • There were changes to the My Pension Online login process and the website. There were now more online forms available, but hard copies were still available. • NM noted that there were clearly many training opportunities for the workforce. This would link to April's HR strategy paper, which would explain what the strategy was trying to achieve and how the HR actions and policies aided in the delivery of key objectives. He also noted that the internal audit plan would be supported by the paper. • SF noted that there may be difficulties meeting the onboarding deadline for MCR. RG advised that he did not want to pre-empt the outcome of the Steering Committee meeting. However, he 	
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	<p>noted that 85% of employers had onboarded or sent for onboarding by November 2021 against a target of 90%. The process of signing up, in terms of payroll providers, had been more challenging than expected and therefore could result in an extension to the deadline that would be carefully communicated to employers.</p> <ul style="list-style-type: none"> • JR commented that this had been more challenging for employers than expected – the Covid pandemic had impacted the project. He reassured the Board that this was being considered within the Programme - to ensure inter-dependencies are managed effectively. Ultimately, the focus is on ensuring that data is right and supports other aspects of the programme, like the McCloud and accounts projects. NM raised concerns regarding the ability of payroll providers to sign up. AG explained that payroll providers delivered services for multiple employers and each employer had a tailored payroll solution. These solutions could vary by employer, and it was therefore a technical issue. Employers wanted to test the solution and the main payroll software companies had not reached that stage yet. There needed to be a period of testing to ensure the data submitted to the TPS was correct. Therefore, the payroll software companies required more time to come to a solution with the employers - and that was resource intensive. • JR advised that the process was difficult, but employers and the payroll software companies were trying to work on a solution. • SF noted that experience could be gained from the situation. Engagement with payroll suppliers may need to be given more weight in future. PSp said this would be considered. • JR commented that MCR would be completed before the new contract was implemented, and acknowledged that the relationship and the flow of information with payroll providers was increasingly important. 	
<p>Agenda item 8</p>	<p>Managing Risk and Internal Controls sub-committee update:</p> <p>Programme Management</p> <ul style="list-style-type: none"> • SA drew the Board’s attention to the Executive Summary paper, and the “At a Glance” annex which provided a helpful snapshot of the Programme. • She noted that there was a lot of work going on within the Programme – in particular, with Transitional Protection re-planning. Although RAG ratings remained amber, this was because of the significance of the issues, rather than because it is an area of concern. • NM agreed that the Programme paper gave the Board reassurance, but that the possibility of delays in policy decisions and legislation remained a concern, as previously discussed. However, it was agreed that the good margin between the end-date of the programme and the end-date of the contract gave some assurance. <p>Risk Appetite</p> <ul style="list-style-type: none"> • SA reported that the sub-committee had discussed the Scheme’s risk appetite, as overseen and agreed by the Quarterly Strategy Board (QSB). 	

	<ul style="list-style-type: none"> • The sub-committee appreciated the understanding they were given about the various levels of risk accepted against strategic, operational, financial, compliance and commercial areas of focus. Not all risks can be mitigated completely in these areas, and there is an appetite to take risks that are well-managed. • The sub-committee was assured that the risk appetite is recognised within TP, that it feeds into the Risk Register and is regularly reviewed. • The sub-committee had suggested a holistic statement of assurance could be provided to QSB on an annual basis. • NM asked how service delivery was addressed within the framework. SA confirmed that the detailed description of the operational area of focus feeds into the Strategic Objectives satisfactorily. <p>GIA Plan</p> <ul style="list-style-type: none"> • SA reported that the plan is divided into four topics - one to be audited each quarter – namely Goodwin/Transitional Protection casework; Monthly Contribution Reconciliation; HR/People management; and Change Management/System Development. • The scope of the topics is now finalised and the sub-committee had been offered the opportunity to comment. • NM agreed that the plan appeared appropriate and the Board was assured by the scope of the audit's topics. <p>Quarterly Report</p> <ul style="list-style-type: none"> • SA advised the Board that Annex A of the quarterly report will be used to update the top risks because risks often evolve between the quarter being reported and the date of sub-committee meetings. This will enable more timely discussions to take place. 	
Agenda item 9	<p>Information to Members and Communications sub-committee update:</p> <p>Engagement Plan</p> <ul style="list-style-type: none"> • JH reported the sub-committee had a useful presentation on the 2022 engagement plan. A key element was that in order to try and minimise the volume of communications, whilst still mindful of the right timing, TP has been looking at how they can use BAU products for Transitional Protection communications. • TP ensure that members who request different or accessible communications receive them promptly. • It is assumed most members will look at their benefit statement and TP take the opportunity to ask members to check personal details are accurately recorded. Likewise, EoYC is one of the key BAU tools for additional employer messaging. • During quarter 1, the focus will be Transitional Protection messaging about the Final Salary Scheme closure on 31 March. This also means a considerable amount of change to the website. • NM queried how TP struck the right balance between issuing several messages in one product and one single message to achieve maximum impact. • AG confirmed there has to be balance and that critical messages are sent separately, but that others are combined in one email to members. Critical communications are monitored in terms of the 	

	<p>rates of opening and clicking through associated links. Where members do not appear to be reading important messages, a more targeted approach is adopted.</p> <p>Transitional Protection Communications</p> <ul style="list-style-type: none"> • JH explained that TP has developed six case studies for different types of members. These are to be uploaded onto the website in January. There is also information for those members who are not affected. • The member bulletin will be tailored to the different types of members, and TP is working on a decision tree and videos. There is a new section (tab) on the website called “scheme changes” which makes it easier for members to access the information they need. • KA asked if the scenarios would include more complicated questions. For example, many members move between the TPS and the LGPS. AG explained that the reasons for contacting TP are monitored to help create more FAQs and case studies. The aim is to keep communications to members as simple as they can whilst getting across the key messages. • KA queried if gaps in guidance are quickly identified so that other members could get a quicker and accurate response, minimising any confusion. • AG agreed and confirmed that gaps are quickly reflected in their website updates. These are supported by the policy and technical team who support with any complex questions. • PS agreed that members in the higher education sector also move between pensions schemes. Pensions expertise is limited in the institutions so KA’s suggestion to include transferring between schemes on the website would be helpful. AG confirmed she would feedback to the team. 	<p>AP2/190122</p>
<p>Agenda item 10</p>	<p>TP Update (Paper 11):</p> <ul style="list-style-type: none"> • AG referenced the tracker and explained that the volume of cases received and processed during December shows that TP is keeping up with processing of the cases received and reducing outstanding volumes. • The SLA dashboard for November and December shows a marked improvement on the previous quarter, particularly in bereavements and the contact centre. • TP has agreed new processes for SLA 12c emails which are now being implemented. The governance team is discussing SLA9a with finance colleagues, to assess if there are any enhancements that can be made to improve performance in those areas. • NM advised he was reassured that previously problematic SLAs were much improved. He asked about OM6 and OM10 - timeliness of response to members and employers respectively. AG noted that the transition to the new email provider had impacted satisfaction rates. However, the main issue on OM10 was low levels of feedback. • AG advised that a taskforce has been set up to map out a path for greater success in OMs generally – but that OM6 and OM10 were high on the priority list. 	

	<ul style="list-style-type: none"> JW asked if TP still used the contact centre for feedback. AG confirmed they do through a variety of ways, and also that live surveys had been re-introduced to improve the level of feedback. 	
Agenda item 11	<p>Commercial sub-committee update:</p> <p>TP colleagues left the conference call.</p> <p>The remainder of this section has been removed to ensure commercial sensitivities are maintained. A full set of minutes (and actions) will be produced from the sub-committee meeting, which took place on the morning of 19 January 2022 and will be shared with Board members. A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.</p>	
Agenda item 12	<p>Any Other business:</p> <ul style="list-style-type: none"> NM noted, that although DB does not leave the Board until June, this was DB's last full board meeting. NM thanked DB for all the work he had done for the Board, in particular, his role on the Commercial sub-committee which had been pivotal to the Board's work. NM and the Board wished him well for the future. NM proposed the next round of meetings continue to be virtual, and that the Board aim to meet face to face in June. Board members agreed to this. 	
	<p>Neville concluded by thanking everyone for attending and for contributing to an interesting and productive meeting.</p> <p>The next meeting will take place on Wednesday, 22 April 2022.</p>	

Minutes agreed: *Neville Pacey*

Date: 25/1/2022

Minutes circulated to Board members for review on 25 January 2022. The following changes were made following Board member review.

No amendments were requested/made.

Minutes ratified at subsequent TPSPB

Final Signature: *Neville Pacey*

Date: 25/1/2022