**Teachers’ Pension Scheme Pension Board (TPSPB)**

**Service Delivery and Maintenance of Data Sub-Committee**

**22 March 2023 – Teams Teleconference**

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| **Present:** |  |  |
| Simon Lowe  | Employer Representative (Chair) | SL |
| Peter Strike | Member Representative | PS |
| Heather McKenzie | Member Representative | HM |
| Susan Anyan | Independent Pension Specialist | SA |
| Amy Gibbs | TP Head of Governance and Risk | AG |
| Danielle Barker | TP Head of Operations | DB |
| Anna-Marie Alderson | DfE Senior Contract Manager  | AA |
| Zaheer Patel | DfE Contract Manager | ZP |
| Melanie Phillip | DfE Casework & Correspondence & TPSPB  | MP |
| Helen Cowan | DfE Secretariat Manager | HC |
| Ruby Kennedy | DfE Secretariat | RK |
| **Observers** |  |  |
| John McGill | Member Representative | JM |
| **Apologies:** |  |  |
| Yvonne Moult | Employer Representative  | YM |

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|  | **Item** | **Action** |
| Agenda Item 1 | **Welcome and Apologies:*** SL welcomed those in attendance, including John McGill the Board’s new member representative who was observing the meeting.
* Apologies were received from Yvonne Moult.
* The minutes from 14 December 2022 were ratified.
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| Agenda Item 2 | **Actions from the previous meeting:*** SL advised that two open actions (AP8/180123 and AP9/180123) both related to IDRP cases being escalated to the Ombudsman would be covered under item 4.
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| Agenda Item 3 | **Transitional Protection:*** AA updated Board members by referring to the narrative in the Quarterly Report (QR) which provides the position to the end of January. Casework rectification is on track to commence from 1 October 2023.
* Commercial arrangements were agreed in December, enabling TP to proceed with recruitment to deliver the work, which include automation and IT changes.
* AG confirmed that recruitment and training was ongoing. Casework continues to progress.in line with plans and the decision tree tool had been added to the website. The MPO module will go live imminently.
* SL thanked AA and AG highlighting it was reassuring to see expected progression being made.
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| Agenda Item 4 | **Internal Disputes Resolution Procedure (IDRP)*** MP referred to the two supporting papers (Paper 8, and Paper 8 Annex). The Annex sets out the IDRP process in detail and is given to Board members as part of their induction.
* MP highlighted the three stages to handling complaints – the first stage being the complaint being handled by TP, second stage is the review by the Department, with the final stage being the referral to the Pension Ombudsman.
* MP detailed the additional scrutiny that is given to those cases that are referred to the Ombudsman which consists of:
	+ A monthly analysis report that reviews the types of complaints and correspondence received and highlights any recurring trends.
	+ The monthly Regulatory and Technical Issues (RTI) meeting held between the Department and TP’s technical team where any cases with the Ombudsman or the High Court are discussed; and
	+ An escalation route up to the Service Delivery Board (SDB) and, if needed, to the Risk Committee.
* MP referred to the 19 Ombudsman cases that were concluded in 2022. Eight of the nine upheld cases found that TP had correctly applied the regulations but members had been awarded compensation due to distress and inconvenience. Lessons learned involved feeding back the outcome to the relevant operational team, a review of operational processes and/or implementation of additional checks to prevent a recurrence. In respect of the ninth upheld case, lessons have been implemented across the sector to prevent such a scenario happening again.
* MP asked Board members if they felt assured that Ombudsman cases were being properly analysed and that appropriate action has been taken by TP and the Department.
* JM queried why members were awarded compensation if TP had correctly implemented the regulations. MP confirmed that it was to recognise the distress and inconvenience caused to members by delays in processing cases.
* PS enquired whether the number of referrals to the Ombudsman remained steady year on year. MP confirmed any variations in numbers would be highlighted through the monthly analysis which would be investigated but none had been identified to date.
* PS queried whether there was a correlation with the satisfaction metrics in the QR and if additional resource at TP could reduce the number of referrals. AG confirmed that the demand of digital contact methods posed a challenge, but TP were working with the Department to address this. However, the volume of IDRP cases is very low compared to the number of transactions being processed by the operation.
* SL queried how the compensation was agreed. MP confirmed that the Ombudsman would indicate a figure to be paid, often relatively low, which the Department / TP could challenge if it seemed unreasonably high.
* SL thanked MP and confirmed the sub-committee was assured that the process is fit for purpose and cases were being managed appropriately and suggested a watching brief for a short period of time.

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| Agenda Item 5 | **Any issues raised from TPARG (Teachers’ Pension Action Review Group) (20 March 2023)*** ZP advised that two items had been raised for escalation to this sub-committee and highlighted that both items are being managed by the MRIC sub-committee.
* The first item related to the fact that 12 independent schools and 12 academies were referred to the Regulator in this reporting period for non-compliance. TPARG had concerns around the number of schools being reported and requested reassurance that action was being taken to ensure contributions are being paid.
* The second item concerned outstanding End of Year Certificates (EOYC) and what action was being taken to clear outstanding EOYC returns.
* AA confirmed assurance. e would be given to the MRIC sub-committee in respect of these two areas and sub-committee members who are not attending MRIC will be sent a precis of the action being taken.
* PS expressed concern about the number of independent schools leaving the scheme and the impact on the scheme, along with the incremental increases in numbers of institutions being referred for non-compliance.
* HM reiterated that clear communication with employers and members was crucial to ensure members were able to remain in the scheme if they wished.
* AA confirmed that the two issues would continue to be monitored through the QR and managed by the MRIC sub-committee. Consideration would be given into whether a deep-dive could provide further assurance.
* PS highlighted that alternative pension arrangements were unlikely to be as beneficial as TPS so it was important that members understand the consequences of leaving the scheme and recognised they can influence employers’ decisions.
* SA recognised the issues would be managed by the MRIC sub-committee and identified there were three elements – financial default of the institutions, the operational risks around the process not working as it should, and the conscious decision to opt-out. She emphasised that this sub-committee’s remit was limited to delivery of the scheme and the impact on members.
* AG provided assurance that TP issues communications to members where employers indicate an intention to leave the scheme which promotes the scheme and highlights the consequences of leaving in the hope members will discourage their employers from leaving.
* SL asked the reasons for institutions reporting non-payment. AG confirmed it was a combination of cashflow, lethargy and resourcing factors.
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| Agenda Item 6 | **Review Dashboard and supporting papers:****Quarterly Report*** AA confirmed the Winter Retirement Exercise was completed successfully notwithstanding a 13% increase in applications in comparison to last year. The Department are working with TP to understand if there is any link to the cost of living as members could be taking early retirement benefits and re-entering employment to supplement income.
* The scheme pays election exercise was completed ahead of deadline on 31 January.
* Work has started on the Easter Retirement Exercise and TP are tracking volumes in comparison to last year.
* SLA performance overall is good and reaping the rewards of the changes made to SLA3 (Change to Entitlement) which is achieving an average of 99%.
* There are some issues in SLA1 (Retirement Benefits Payments) due to the backlog of ill health applications. This backlog is now cleared, and it is expected that the remaining stockpile of cases will be assessed and completed by the end of March.
* Outcome Measures 5 and 6 are below target but this is expected at this time of year and work is being undertaken to review the questions which generate feedback.
* Other OM measures are tracking well against target with good feedback from members.
* There has been an increase in the number of complaints received in relation to the ongoing ill health casework issue which are being worked through and performance will improve once the backlog is cleared.
* The Goodwin exercise (rectification around widow/widower) has concluded within the timeline.
* Historic calculations were a significant piece of work which needed rectification to many records. This has been progressing in line with the original burndown forecast, and the overpayments are low in value.
* Scheme Valuation and Cost Cap – the SCAPE rate outcome is expected to be announced imminently, which will immediately trigger suspension of transfers into and out of the scheme, and calculation of Pensions on Divorce cases.
* MCR is in a period of stabilisation and onboarding has been paused whilst TP are working to reduce the monies held in the unallocated contribution account. It is anticipated that onboarding will re-commence in May. Completion for the project is scheduled for December 2024 and regular updates will continue to be provided in the QR.
* The industry led DWP Pensions Dashboard will be a one stop shop for all pensions. The launch date has been pushed back from December 2024 – a new date has yet to be confirmed.
* PS was pleased to see SLA3 was improving and queried how the abolition of the Lifetime Allowance Limit will affect scheme pays. AA advised the DfE policy team are working with GAD and stakeholders to understand what this means for the scheme.
* PS noted that OM6 was consistently low. AA explained that OM5 and 6 were linked – the method of gathering feedback impacted feedback received and work was ongoing to identify what can be done to improve those measures.
* DB advised that TP would expect the volume and value of scheme pays to reduce next year.
* SL queried how confident the Department was about the ability of Health Management and TP to manage the stockpile of cases, BAU cases and Transitional Protection cases. AA confirmed that it is anticipated that all stockpile cases will be completed and returned by the end of March allowing TP and Health Management to then concentrate on BAU and Transitional Protection cases only.
* SL congratulated TP regarding the Winter Retirement Exercise.

**Dashboard*** AG expressed disappointment that OM3 remained impacted by the changes to the survey questions made in October 2022. TP were hoping the more streamlined questions would encourage more feedback but that hasn’t transpired. However, TP have introduced new ways of collecting information utilising social media mechanisms which may improve this measure.
* AG highlighted the challenge of meeting demand from digital contact methods with members waiting up to 25 minutes when using webchat. She confirmed TP are working on a resource proposal which will be discussed with the Department.
* From an employer perspective SLAs are performing well although OM11d shows a temporary drop but figures have already increased in recent months.

**Issues Log*** AA stated that there are two live issues - the first is the ill health case position due to the stockpile of cases. AA confirmed the Department are working to agree a permanent solution to maintain the service.
* The second issue is MCR in relation to unallocated contributions which is reflective of the current stabilisation period.
* Both issues will be updated in Paper 6 for the next quarter.
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| Agenda Item 8 | **Agree Key Issues from the Meeting / Report to highlight at the next TPSPB meeting:** * Monthly Contributions Reconciliation stabilisation and impact on the MCR process
* IDRP dispute (with papers)
* EOYC issues
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| Agenda Item 9 | **Agree whether any individual papers or presentation should be shared with remaining Board members:*** Paper 8 (including Annex)
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| Agenda Item 10 | **AOB** * None.
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| Next meeting | 21 June 2023 at Lingfield Point |  |

Minutes agreed by Chair:  Date: 31 March, 2023

Confirmed by circulation to sub-committee members on: 31 March 2023

To be ratified at sub-committee meeting on 21 June 2023