Teachers' Pension Scheme Pension Board (TPSPB)
Managing Risk & Internal Controls Sub-Committee

22 September 2021 - (by Teams teleconference)

Present:		
Susan Anyan	Independent Pension Specialist - Chair	SA
Kate Atkinson	Member Representative	KA
Simon Lowe	Employer Representative	SL
Jackie Wood	Employer Representative	JW
Amy Gibbs	TP Head of Governance and Risk	AG
Sue Crane	DfE Senior Contract Manager	SC
Richard Lees	DfE Finance Manager	RL
Alan Hunt	DfE Contract Manager	AH
Anna Alderson	DfE Programme Management Office	AA
Kathryn Symms	DfE Casework & Correspondence & TPSPB Secretariat	KS
Jane Mustill	TP Programme Manager (Observer)	JM
Jackie Garside	DfE Finance Manager (Observer)	JG
Jackie Wood	Chair, Service Delivery and Maintenance of Data Sub-committee	JW
Apologies		
David Butcher	Employer Representative	
Chris Jones	Member Representative	
Keith Barker	TP Head of Scheme Finance & Payroll	

	Item	Action
Agenda Item 1	**Welcome and Apologies:** • SA welcomed those in attendance; and accepted apologies from David Butcher, Chris Jones and Keith Barker. • The minutes from 16 June 2021 were ratified.	
Agenda Item 2	**Actions from the previous meeting:** • MR3/160621 – the sub-committee noted that this action point would be addressed under agenda item 4. • The sub-committee agreed that all other actions were closed.	
Agenda Item 3	**Programme Management** • SA explained that at the Board meeting in July, an executive overview (Paper 7) of the Programme had been requested. She invited AA to discuss the key points of the paper. • AA reported that the Programme is progressing well against the plan – both she and TP's new Programme Manager review the plan regularly to ensure everything is on track. • AA explained that there is a Transitional Protection re-planning exercise ongoing, so some milestones have changed. This is because the Finance Bill has been delayed. TP will also plan for how they will manage any further slippage just in case anything further arises. AA will oversee TP's re-planning to ensure that the overall deadline for the Programme will still be met – ie April 2025 (six months before the contract expires). • TP hope to start offering members their choices from October 2022, though some casework preparation will begin before then.	

- Recruitment of staff is being considered across the Programme, for example synergies between Goodwin and Transitional Protection. Recruitment going well, with two squads in place and plans in place for recruitment to continue through to 2023. AA confirmed that she is satisfied with the current level of staffing.
- The Programme includes other supporting projects, such as MCR which is reported to be on track. AA noted that Omni Channel was launched in mid-September, and the Authentication project will go live in November. Milestones for these projects are also plotted so any impact is minimised and any opportunities identified.
- JM and AA work very closely to ensure that the Programme plan shows "one version of the truth". JM agreed that the partnership is strong.
- The sub-committee was assured that the Programme is joined up and overseen at a high level – and structures are in place below that mean that individual projects are well managed, for example, by their own project boards.

- AA turned to Paper 8 to describe the three key cross-cutting risks (commercial, policy and resources) that could lead to a Programme delay or failure. Individual project risk registers hold more detailed risks, but at programme level, they are higher level and show the mitigations in place.
- Commercial – although Cabinet Office has approved the business case, further re-planning work means that some of contract amendment notices will have to be revisited. Once that has been completed, AA was satisfied that appropriate commercial cover would be in place.
- Policy – delays in this area are more difficult to control because other government departments are involved. It is being managed as far as possible through close working relationships so that the department and TP have early warning of what might happen, and can be ready to react.
- Resources - synergies are identified at programme level. However, there are constraints, largely because of the need for a lot of staff for Transitional Protection – and how those needs affect other projects within the Programme. JM and AA are ensuring recruitment is brigaded so staff can be flexed into different projects as and when required.
- IT development is another Programme synergy because the outcomes of Transitional Protection IT work will help other projects because it can be replicated, helping the Programme as a whole to remain on track.
- Project saturation - AA reassured the sub-committee that she and JM will continue to work together to maintain Programme and individual project stability. She explained that the annex to the paper shows how projects interact and overlap where both opportunities and pinch points are identified.
- AG assured the sub-committee that risk management is very well embedded with clear escalation routes, and that joining up the department and TP more formally will further strengthen the arrangements.
- KA enquired whether the new ministerial team may lead to an increase in the risk of delay to the Programme. AA reassured her

	that there was no change in policy from new ministers.	
	• SA noted that all Programme risks are red, and questioned whether that was appropriate in light of all the mitigations. AG explained that whilst the Programme is still rated red, individual projects were not. For example, since Cabinet Office approval had been secured, the commercial risk is on a downward trajectory. However, with policy decisions still out of the department's hands to an extent, and recruitment/resourcing still a concern, the Programme - whilst possibly nearing amber – was not green yet.	
	• SA felt that the Programme needs to be green soon. AG agreed that that was the direction of travel. With commercial agreements due to be signed in a matter of weeks, and resourcing options agreed (now UK-wide recruitment), lowering the risks is very likely. The current Goodwin recruitment will inform whether the risk can be lowered, but in the meantime, the risks being red maintains focus.	
	• SA enquired whether TP needed pension experts, as people across other sectors may have transferrable skillsets. AG agreed but also more automated processes will be in place because of the delay in starting the work.	
	• The sub-committee agreed that an updated version of the three main risks should be prepared for the next Board meeting, given that progress will have been made in several areas by then.	MR1/220921
Agenda Item 4	**MR3/160621 – Resource Risks** • SA introduced the agenda item by explaining that the earlier Service Delivery and Maintenance of Data sub-committee had discussed the shortfall in performance of the bereavements, contact centre and complaints teams due to staffing issues. • AG explained that her paper about the contact centre showed how staffing levels were being addressed and other measures such as call back facilities (c15-30 members per day) had helped. This also provided a good service because staff are prepared with the answers when they ring back. It was also helpful that contact centre staff were back in the office, in particular for training purposes. • JW reiterated that her sub-committee was pleased with updates they had received, and had been reassured by plans that will support the contact centre in the future, and current good progress. Controls in place, for example, omni channel and recruiting two staff ahead should prevent a repeat of the difficulties faced this year. • SC agreed to develop plans about how smaller teams will cope with attrition or sick absences. SC also agreed to re-visit the controls on the risk register to ensure all of the controls are listed. • AG noted that OMs were showing that generally positive feedback was being given. She also noted that tracking the impact of Liveperson in contact centre data will be informative. • SA sought reassurances about senior management posts and how Capita ensured the right level of continuity. • AG confirmed that all key personnel are contracted to provide three months' notice. • JM is now in post, and the error in her predecessor's contract will not be repeated.	MR2/220921

	• The Head of Operations had immediately been replaced by Alex Mitchell and Danielle Barker – who had been identified in advance of his departure. • SA agreed that new measures were reassuring along with the department's step-in and veto rights for senior posts. • JW left the meeting, and was grateful for the opportunity to hear the further discussion about staffing issues.	
Agenda Item 5	**Forward Work Plan Topics:** **Continuous Improvement Plan** • SC referred sub-committee members to the updates in the quarterly report and invited questions. She explained that LivePerson is now live after a soft launch in mid-September. This enables members to webchat, secure webchat and WhatsApp message the contact centre team. • Authentication improvements remain on track and are due in November. This will provide an enhanced login process for members and employers. • Risk based assurance is still an important project to the department, but SC recognised that MCR is key to the success of this. **Employer Portal Access** • SC described a key upgrade that has recently gone live - the ability to restrict the availability of member data based upon the service history held between the member and employer.	
Agenda Item 6	**Review of Papers 4, 5 & 6** • SA noted that much of the content of the papers had been discussed already. The sub-committee was assured that the top risks identified in the dashboard were the topics that had been most talked about.	
Agenda Item 7	**Review of Operational and Strategic Risk Registers** • Accepted schools leaving the TPS – although some 270 schools have left/are due to leave (c11k members) there was no concern from an administrative perspective, nor from a financial perspective. Phased withdrawal is now an option, and IT systems are working well, with low numbers opting for this. • Pensions Dashboard – AG explained that this is being managed by Capita Division centrally. They are involved in the Alpha phase - data review work. TP will be involved in the Beta phase when anonymised data will be submitted to help understand how it will align with the dashboard requirements. • Project teams within TP will analyse the impact of the various projects – for example, Transitional Protection, Goodwin and MCR on data being provided to the dashboard. • Pension Liberation cases – this is also a wider Capita project but there is consideration as to whether/how TP should monitor this. All members receive a leaflet at the appropriate time which includes warnings about scam schemes.	
Agenda Item 8	**Finance - Summer Update** RL gave an update, as follows:	

- EoYCs – School resource modelling has impacted on the data TP has been getting from schools - engagement has been difficult due to school staff working differently and the summer holidays. Employers have also had difficulty securing the services of external auditors.
- TP has differentiated their engagement based on employers refusing to engage and those who just needed support. For the latter, TP adopted a more supportive role and rolled out training webinars.
- There has been an improvement with 300 being returned in the last 3 months. 87% had been submitted at end of last reporting period – now 93.5%.
  There are currently 458 outstanding returns relating to 2019-20. TP is also focusing on larger employers (LAs) as their membership numbers represent a high proportion – 23k – of members not covered by the outstanding returns. TP has engaged with LGA to gather further support.
- RL confirmed to SL that there were repeat offenders. RL explained that one of the incentives for employers to submit the EoYC was that without one, they cannot onboard to MCR, and they will miss benefits of that. He noted that a letter from the Pensions Regulator does sometimes prompt engagement.

- MCR is at a critical stage., On a positive note, current error rates are low, and the errors are proving relatively easy to address. However, only 836 employers have onboarded, so TP is adopting a more proactive approach by allocating the other employers onboarding dates.
- The November target of 90% of employers having confirmed onboarding dates looks challenging, but the project Steering Group will take a view on extending the timetable at this point if evidence suggest that the April 2022 deadline may not be achievable. This presents very limited risk to scheme finance because TP will still get the data, contributions and assurance they need via the existing process for those employers who miss the onboarding deadline.

- The Accounts were laid on 21 July. They were unqualified with only one minor finding. Internal lessons learnt sessions are planned for later in September; and meetings to start planning next year's process are scheduled with NAO and Deloitte. These will iron out any issues that need to be addressed.
- The new SRO – Peter Springhall - has a good grounding in finance so will provide good challenge and support.
- OBR – TP met their August deadline to provide the expenditure forecast. There have been a small number of resulting queries, but currently there is no suggestion that OBR will demand a formal challenge meeting.
- Transitional Protection is the big issue for forecasting. OBR has adopted a consistent approach across all schemes affected by that by commissioning GAD to provide all public scheme data. From next year, TP will start to feed in their own forecast when more is understood about the impact of Transitional Protection.

Agenda Item 9	**Agree whether any individual papers or presentations should be shared with the rest of the Board for information:** • Papers 7 and 8 (with updated annex) will be shared ahead of the Board meeting. **Three issues to report to the Board:** • Programme Management • Assurance on resourcing • Finance update	MR3/220921
Agenda Item 10	**AOB –** None.	
Next meeting	15 December (by Teams)	

Minutes agreed by Chair: *Susan Anyan*   Date: 29 September 2021

Confirmed by circulation to sub-committee members on: 29 September 2021

To be ratified at sub-committee meeting on 15 December 2021