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

**23 October 2024 Via Teams**

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| **Present: Board Members** | **Also Attending:** |
| Alan Taylor (Chair) | Patrick Carey (Director of Teachers and Tutors, Schools Group) |
| Lisa Sproats (Employer Representative by Teams) | Peter Springhall (Deputy Director) |
| Maria Chondrogianni (Member representative by Teams) | Anna Leonard (DfE Head of Supplier Management) |
| Susan Fielden (Employer representative) | John Brown (DfE Head of Supplier Management and Secretariat) |
| Susan Anyan (Independent Pension Specialist) | Matt McNaughton (Head of PMO) |
| Peter Strike (Member representative) | Amy Gibbs (TP Head of Governance and Risk) |
| John McGill (Member representative by Teams) | Alyson Collingwood (TP Head of Operations) |
| Yvonne Moult (Employer representative) | Helen Cowan (DfE Team Leader) |
| Heather McKenzie (Member representative) | Abbie Myles (DfE Secretariat) |
| Simon Lowe (Employer representative) |  |
| Michael Collier (Member representative) |  |
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|  | **Item** | **Action** |
| Agenda item 1 | **Introduction, attendance and apologies:**   * The chair welcomed everyone to the meeting, noting Patrick Carey, Director of Teachers and Schools Group, was observing the meeting. * No apologies were received.   **Register of Interests:**   * The chair reported there were no amendments to the register.   **Minutes of the previous meeting (Paper 2):**   * The minutes of 10 July 2024 were ratified. |  |
| Agenda item 2 | **Actions Update (Paper 3)**  The following actions were discussed: -  **AP2/100724 regarding opt-outs –** August’s Scheme Advisory Board’s (SAB) paper had been circulated to the board in advance of the meeting.   * The board observed that April 2024 (Chart 1b) showed a higher level of opt outs, compared to previous years, and in Table 4, where opt outs are split by population, there were notably more people opting out of the scheme in London. * The age report showed a higher percentage of 25–35-year-olds opting out. * The data does not drill down to ethnicity. The department confirmed that the School Workforce Census provides further information. However, this information was not directly comparable to the membership of the TPS. * Auto enrolment was raised as another challenge for teachers and academies, noting that more data on this would be helpful. * The department confirmed that as part of legislation teachers are enrolled on day one of employment, however, they can choose to opt-out at any point * Opt-in trends were queried, and whether there were any initiatives to target young teachers. The department mentioned that there are targeted media campaigns for younger members on social media. There is also a tiered contribution system to minimise financial impact. The department is open to ideas from the board on these issues. * The Board asked if the department engages with the Early Career Framework (ECF). DfE indicated that the ECF framework is currently being refreshed, however an update will be provided at the next meeting. * The board wanted to make sure that members were receiving the right amount of information regarding opt-outs to enable them to make a good choice. | AP1/231024 |
| Agenda Item 3 | **Pension Specialist Update (Paper 4)**  ***Virgin Media and public sector schemes***   * An appeal was heard earlier this year of the Virgin Media court case. It was held that, if certain actuarial requirements were not complied with, scheme amendments may be deemed invalid, and this could lead to additional liabilities for both private and public sector schemes. * It was queried how this might impact TPS. The department assured the board that they were liaising with HMT. Any scheme established after 1997 is unlikely to be affected. The department also advised that if public sector schemes were affected there is existing legislation that HMT may consider using to mitigate the impact. * To note, there was another case going to court next week that may clarify this issue. * Action – to be followed up in due course.   ***The Pension Regulators (TPR) engagement with administrators***   * TPR was engaging with three strategic administrators following its 2023 pilot. The board asked if Capita (rather than TPS) was one of those administrators. Capita took an action to investigate this further.   ***The Autumn Budget***   * There were many narratives about what may happen in the budget relating to pension matters, which become known next week.   ***The Pensions’ Ombudsman Expedited Decision Making – New Model***   * There was not much change regarding how it affects TPS, but the new model may help to speed things up.   ***Other news***   * The government has launched a 'landmark' pensions review, with an initial focus on increasing investment in UK markets. * The Pensions Dashboard Programme continues to be developed. * The final draft DB Funding Code was laid before Parliament in July. * The impacts of these developments, if any, will be considered during the next quadrennial valuation. * The launch of the Royal Mail collective plan was briefly discussed * The chair agreed to invite TPR to attend a future board meeting attend. | AP2/231024  AP3/231024 – Amy responded so we will add her response to the action log  AP3/231024 |
| Agenda Item 4 | **Policy Update**  **Transitional Protection (TrP)**   * The RSS’ are starting to go out and there has been a significant response in relation to members contacting Capita and the department. Capita is working on mitigation to reduce the number of calls.   **CETV**   * There are just over 2700 CETVs to be worked through by Capita. Each case takes approximately 60 minutes to process. Final clarification from HMRC/HMT is needed for 200 cases. The department has received a breakdown of how the cases will be handled.   **Valuation**   * On scheme valuation the final action for the department in drafting regulations for member tiers was to send out the consultation. A link will also be sent to the board.   **Scheme Advisory Board**   * Conversations are ongoing regarding the United Learning proposal offering teachers an alternative pension provision. * Regarding ill health and Long Covid, the department is considering whether a two-year in-service application period is long enough and when that should be reviewed again. * Opt-outs are discussed routinely with particular interest around patterns in relation to other public sector schemes * The board was informed about recent press articles concerning CETV pensions on divorce, highlighting that members are expressing significant dissatisfaction with the lengthy processing times. Capita advised that they have ring-fenced resources to prioritise the most challenging cases. They have additional resource in place to process the other cases in date order. TP reported that escalations have increased, and one person is ringfenced to deal with those, whilst other team members focus on the rest of the cases. The complexity of TrP was contributing to delays. * The board asked to see a burn down plan for CETV over three months. TP agreed to share an interim report. | AP4/231024  AP5/231024 |
| Agenda Item 5 | **TPR Guidance on Equality, Diversity and Inclusive (EDI) – Paper 5**   * The DfE Secretariat presented a paper on EDI following a review of the TPR’s guidance on the subject. The review provided the following findings: * EDI is a factor that can support governance outcomes * Diversity - having board members from different backgrounds can bring a wider range of perspectives * An inclusive culture is important to ensure everyone can contribute fully, and reviewing meeting structures, communication styles etc is relevant to this. * One board member recalled that when he was new to the board, he had the assumption that employers would be reimbursed for attendance at meetings, and gave an example that if a young teacher from a different background attended the board, it would really help that the employer was reimbursed, believing this would help diversity. * The department said that they would do what they could to encourage a wide diversity of applications and consider reimbursement. Update to be provided at a future meeting. * It was suggested that people could be co-opted onto the board but not required to be full board members as their time commitment may be limited. Younger members may be attracted to this opportunity. * The board welcomed the paper. * The board had knowledge of candidates who worked for state schools who could not apply for the board due to not being able to take unpaid leave. * The chair confirmed an action to look at the barriers to board recruitment and to invite TPR to a future meeting. | AP6/231024  AP7/231024 |
| Agenda Item 6 | **Managing Risk and Internal Controls sub-committee update:**  ***Annual Reports and Accounts (ARA) Progress and OBR:***   * The ARA were cleared and laid before Parliament in good time. The OBR submissions process had a small extension but was now ongoing following the normal course.   ***Group Internal Audit (GIA):***   * There were two Group Internal Audits, one being the TrP audit and findings around the use of spreadsheets and signing off of processes, which MRIC asked for additional assurance. The other GIA audit was the Data Management Strategy and Data Improvement Plan that had an ‘effective’ rating and which was now also signed off.   ***Transition and risks involved***   * This was discussed at Item 10. |  |
| Agenda item 7 | **Information to Members and Communications sub-committee update:**  ***TrP and Communications***   * The benefit statement campaign in July was the largest campaign yet with key messaging on TrP. Communications include separate versions for members with and without TrP, clearly explaining what members should expect.   ***Personalised Calculators:***   * IMC were introduced to personalised calculators and were shown the test system. IMC were assured by the system.   ***Member (Live Person) Employer Toolkit Engagement Projects***   * IMC were introduced to the engagement projects focussing on member support. Plans will include four more 'bot' journeys, aimed at improving member experience. |  |
| Agenda item 8 | **Service Delivery & Maintenance of Data sub-committee update (SDMoD):**  ***Ill Health Casework***   * SDMoD discussed Long Covid and although the action was closed, as a sub-committee board members were concerned that medical professionals continue to cite Long Covid as a primary reason for ill health applications despite it not being medically recognised. The SDMoD were assured that this issue was being explored by SAB and the department is continuing to liaise with other scheme providers. * The backlog of ill health cases was reduced.   ***Summer retirement Exercise (SRE)***   * Successful conclusion of SRE despite an increase in applications this year.   ***CETV and Opt-outs***   * SDMoD talked about the outstanding cases and the impact on members remained a significant concern. The sub-committee had a conversation regarding opt outs and the data was presented at this meeting.   **Financial Conduct Authority**   * Following recent discussions about financial advice on social media, some scheme members are indicating they are acting on information being given to them but not disclosing where the information has come from. The department will continue to monitor the situation and brief the board as necessary.   **MCR/MDC contribution systems**   * SDMoD have asked for a deep dive into MCR/MDC in relation to employers that are transitioning. * There was a decline in service level indicators and the sub-committee explored workload pressures. It was noted that benchmarking reports reveal high-quality, low-cost indicators and the sub-committee queried if the low cost was driving workload pressures. |  |
| Agenda item 9 | **TP Update (Dashboard Update) (Paper 6)**   * The report related to operational performance during the quarter. Key highlights were: * End of July performance was good; the team are doing well in operations and finance. * Volumes were continuing to increase beyond operational capacity with impacts on the level of outstanding casework and team morale. TP and the department were working on a migration strategy, and an update would be provided at the next meeting. * Increases in SLA12 (contact centre) and a decrease shown in SLA1 (retirements) was a result of increases in volumes and complexities of casework arising from TrP. Performance has improved again and will be shown in the next report. * SLA3 (revisions) continued with challenges due to how the scheme works. TP received over 1000 revisions in July and expect to see those high volumes continue. * TP were continuing to work on failed cases from pension on divorce in date order. * Outcome Measures (OM) on page 6 of the report were consistent with previous months and remain a challenge. * OM7 did decline slightly due to the scale and size of the exercise. * For employers, positive performance continued SLAs and OMs achieving targets across the board (apart from OM11b, due to TP having to change cookies to be compliant on the website. * Risk scores were consistent with those presented last quarter, therefore the focus remains on volumes. * TCS have assured TP colleagues that current working arrangements will remain in place e.g. working from home. This received a positive response from the teams. * TPSPB asked for an up-to-date number on unallocated contributions/suspense accounts, TP advised that it was currently 250 and well ahead of target. * The TPSPB requested a table at the beginning of the report to provide an overview of volumes, the external impact on capacity, and the progress in delivering priorities.TP had also spoken with the chair to revise the dashboard which will include volumes and trends, which will be brought to the sub-committee meetings in December, and to the next board meeting in January. * MRIC requested a report regarding the number of suspense accounts. | AP8/231024  AP9/231024  AP10/231024  AP11/231024 |
|  | **TP COLLEAGUES LEFT THE MEETING** |  |
| Agenda  Item 9 | **Deep Dive – The Risk Management Process**  **The remainder of this section has been removed to ensure commercial sensitivities are maintained.  A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.** |  |
| Agenda Item 10 | **Transition Sub-Committee Update and Progress Report – Paper 8**  **The remainder of this section has been removed to ensure commercial sensitivities are maintained.  A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.** |  |
| Agenda Item 11 | **Portfolio Executive Summary – Paper 9**  **The remainder of this section has been removed to ensure commercial sensitivities are maintained.  A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.** |  |
| Agenda Item 12 | **Any Other Business**  **The remainder of this section has been removed to ensure commercial sensitivities are maintained.  A full version of the minutes will be prepared and shared with Board members, and at the next TPSPB meeting.** |  |
|  | The chair concluded by thanking everyone for their attendance and contributions to a very productive meeting.  The next meeting will take place on 22 January 2025 |  |

Minutes agreed:  Date: 09/12/2024

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| Minutes circulated to Board members for review on 10/12/2024. The following changes were made following Board member review. No amendments were requested/made. |
| Minutes ratified at subsequent TPSPB – 22 January 2025 |