

TEACHERS' PENSION SCHEME PENSION BOARD (TPSPB)
Sub-committees: Terms of Reference
Updated April 2021

1. Scope of the Sub-committees

1.1 The sub-committees will focus on the approach and methodology adopted by the service provider and the Department for Education (DfE) in respect of their specific areas of interest, in order to assist the TPSPB to fulfil its role by:

- assessing the effectiveness and efficiency of the scheme administration;
- considering opportunities to enhance the quality of the scheme in respect of their specific area; and where appropriate, provide options and recommendations for improvement, better value for money and risk management; and
- providing update reports (written or verbal) to the TPSPB quarterly meetings.

1.2 The sub-committees may also carry out additional duties as the TPSPB sees fit, from time to time.

1.3 The annexes provide the scope and remit for each sub-committee, as follows:

- Annex A - Managing Risk and Internal Controls
- Annex B - Service Delivery and Maintenance of Data
- Annex C - Information for Members and Communications
- Annex D – Commercial

2. General Information

2.1 The TPSPB terms of reference apply to the sub-committee membership, and members must ensure that they have a good understanding of their specific areas of interest and ensure their skills are regularly refreshed in order that they can provide assurance to the Board that the scheme administration is effective.

2.2 Quorum: Two members of the sub-committee represent a quorum for meetings. Meetings may be conducted in person, by telephone, email or video-link, as decided by the chair. However, where DfE officials (or TP representatives) are required to attend in person, meetings should take place in Darlington, unless agreed otherwise.

2.3 Where possible, and where Board members sit on more than one sub-committee, meetings should be scheduled to take place, on the same day. Meetings should take place quarterly, around four weeks before the main Board meeting.

2.4 Papers: The Board Secretariat will provide support to the sub-committees by circulating the agenda and relevant papers one week in advance of any meeting to all Board members, in order that all members have an opportunity to comment in advance of the sub-committee meeting taking place. The agenda will be agreed between the chairs and DfE leads during telephone pre-meetings

around six weeks ahead of the meeting.

- 2.5 Notes of meeting: The Board secretariat will minute each sub-committee meeting. Minutes will be sent to the sub-committee chair within 5 working days for review, and will then be circulated to other sub-committee members for information no more than 10 working days after the meeting. The secretariat will arrange for circulation to all TPSPB Board members and for the minutes to be stored as a formal record of the meeting.
- 2.6 In considering issues and recommendations the sub-committee should consider whether it wishes to seek advice from the TPSPB independent pension specialist, or from other sources available to the TPSPB.
- 2.7 Making Recommendations To The Board: All sub-committee members will have one vote on issues/recommendations to be made to the TPSPB, and items arising at any meeting will be decided by a majority of members present, with the chair having the casting vote where there is an equality of votes. In providing advice to the TPSPB, sub-committees should record where the recommendations put forward are their unanimous view or not, and where it is not, counter-views should be recorded for the TPSPB to consider as it sees fit.

3. Authorities and Restrictions

- 3.1 The sub-committee is empowered to make recommendations to the TPSPB on matters it considers need to be resolved or addressed by the relevant service provider and DfE, or changes it considers should be made to the commercial arrangements in place. It is for the TPSPB to determine whether to make recommendations to the Department to consider.
- 3.2 The sub-committee should liaise with the relevant DfE point of contact if it requires information or support from the scheme administrator or other relevant service provider.
- 3.3 The sub-committee should share information with the Board as outlined in 2.7, but should also ensure that the TPSPB independent pension specialist is able to fulfil their role i.e. “to provide pension expertise to the TPSPB in respect of administrative services and provide an objective view of the standards and solutions that could be expected from service providers and, where necessary, challenge the views of the service providers”, by providing the opportunity to interrogate and question information gathered through the sub-committees.
- 3.4 The TPSPB independent pension specialist member will retain an overarching role and provide advice and contribute to all four sub-committees. He/she will receive copies of all papers to be considered by the four sub-committees and given the opportunity to comment. Where the pension specialist member is not a member of a sub-committee, he/she may be invited to attend meetings or ask to attend meetings by agreement with the relevant chair, if issues to be discussed could benefit from his/her expertise.

4. Membership

- 4.1 Sub-committees will be established by Board members self-nominating for membership of the committee(s) that they wish to sit on. Board members will be limited to sitting on a maximum of two sub-committees.
- 4.2 The Chair of the TPSPB can determine who is chair and vice-chair of each sub-committee, but can also delegate that to each sub-committee to determine. However, where there is no consensus amongst the members of the sub-committee the TPSPB Chair will decide.
- 4.3 Where a sub-committee member leaves the TPSPB the arrangements in 4.1 above will be followed to determine who will replace them on sub-committees.
- 4.4 Where the chair or vice chair of the sub-committee leaves the TPSPB, the procedures at 4.2 will be followed to determine who the replacement is to be. The TPSPB Chair can decide or delegate this to the relevant sub-committee, with the TPSPB Chair then deciding if there is no consensus amongst members of the sub-committee.
- 4.5 In making decisions on membership of and who will chair sub-committees the TPSPB Chair and, where appropriate, sub-committee members will need to determine who is best placed to undertake the role by taking into consideration factors such as relevant skills and knowledge, impacts on the TPSPB's overall work plan and strategy, and within that, the other TPSPB commitments of each member of the sub-committee.
- 4.6 Where individual TPSPB members wish to move from one sub-committee to another or sit on an additional sub-committee (to broaden knowledge or take on an additional challenge), every effort will be made to broker that request.

5. Review

- 5.1 The TPSPB Chair will chair an annual meeting with sub-committee chairs to review this Terms of Reference and the effectiveness and work of each sub-committee, and will revert to the whole Board where necessary for approval of decisions made.
- 5.2 The desirability of retaining each sub-committee and the work of each sub-committee should be reviewed based on the effectiveness of the sub-committee's role in assisting the TPSPB to undertake its duties.
- 5.3. Membership of, and who shall be chair and vice-chair of each sub-committee, should also be reviewed annually by the TPSPB, utilising the arrangements in section 4 above where necessary/as appropriate.

Managing Risk and Internal Controls

1. The focus of the sub-committee is related to DfE's accountability framework, and specifically how the TPSPB will contribute to the assurance that is provided to the DfE Accounting Officer to support the signature of the TPS Report, Accounts and general financial scheme administration.
2. Timings of meetings will be aligned to key Scheme reporting events and the financial cycle of the scheme year. As many scheme outputs are aligned to commissions by others an outline breakdown of the year may look like:
 - **March** – sub-committee focus on approach to production of end of year accounts and NAO audit process,
 - **June** – sub-committee focus on NAO Report and mid-year review of TP's Group Internal Audit (GIA) audit programme,
 - **September** – sub-committee focus on approach and methodology for OBR financial Forecast, NAO Report response.
 - **December** – sub-committee focus GIA audit plan for coming year, Winter OBR, supplementary forecast to revise end year budget.
3. As a matter of course the sub-committee agenda will always include the scheme strategic risk register and Service Delivery risk register as a standing agenda item.
4. It is envisaged that the sub-committee will want to assess the approach and methodology adopted for each of these events rather than the actual outputs.
5. In addition, the sub-committee will identify a programme of forward-looking items.
6. The sub-committee will be supported by the TPS Contract Management Team who will liaise with the chair regarding the agenda, supporting paperwork and guests invited to support agenda items. In addition, where any key event in the financial calendar takes place between sub-committee meetings, the TPS Contract Management Team will liaise with the chair to determine whether any information needs to be shared with the remainder of the sub-committee.
7. TPSPB Secretariat will provide general support (e.g. room bookings, travel authorisation, processing expenses), in addition to the support indicated in points 2.4 and 2.5 above.

Service Delivery and Maintenance of Data

1. The focus of the sub-committee will be to provide assurance to the TPSPB regarding the arrangements for managing the scheme administration, including oversight of the programme of activities focused on digital transformation and the improvement of data held by the administrator. It will assist the TPSPB to make recommendations to the Scheme Manager on changes to the range and quality of services provided by the administration, including the complaints handling process.
2. The quarterly report will provide an overview of TP's performance, including DfE monitoring and intervention, against Service Level Agreements, Key Performance Indicators and Contract Outcomes, based on Service Delivery Reports, including consideration of actions being taken to address issues.
3. The sub-committee will also want to:
 - Assess ongoing major projects, the list of which will be regularly reviewed;
 - Receive an overview of progress against the Data Strategy, including examining the problems encountered; and
 - In addition, the sub-committee will identify a programme of forward-looking items.
4. The sub-committee will be supported by the TPS Contract Management Team.
5. TPSPB Secretariat will provide general support (e.g. room bookings, travel authorisation, processing expenses) in addition to the support indicated in points 2.4 and 2.5 above.

Information for Members and Communications

1. The focus of the 'Information for Members and Communications' sub-committee will be to provide assurance to the TPSPB that the engagement plan is appropriate and that mechanisms are in place to ensure the timely delivery of key messages to members.
2. The sub-committee will:
 - Review the BAU scheme engagement plan annually (December).
 - Review red rated actions on the engagement dashboard from the previous quarter / period;
 - Undertake a QA role of communications, and monitor the effectiveness during and after issuing to members.
 - Assess communication elements of service improvement project
3. In addition, the sub-committee will identify a programme of forward-looking items.
4. The sub-committee may ask to review the scheme event calendar annually (December), which exists to monitor key deliverables across a rolling 18 month period. The calendar is subject to critical review at the monthly service delivery board meetings by department and TP management.
5. The engagement plan was agreed at the start of the current calendar year between the Department and TP. This clearly sets out all planned communications across the year. A periodic review of the plan will give the sub-committee clear assurance of proposed communications, and the opportunity to challenge planned activity.
6. The sub-committee will be supported by the TPS Contract Management Team.
7. TPSPB Secretariat will provide general support (e.g. room bookings, travel authorisation, processing expenses) in addition to the support indicated in points 2.4 and 2.5 above.

TPS Commercial sub-committee

1. Due to the commercial sensitivities of this sub-committee, members will need to understand the TPSPB 'Conflict of Interest' Policy and provide regular updates to the Board's 'Register of Interests'. Members must respect these sensitivities and the requirements of data protection law and not disclose any confidential information discussed at sub-committee or Board meetings which could in any way influence or compromise the procurement project.

Role

2. The TPS Commercial sub-committee will report directly into the TPSPB as a completely independent body which sits outside the main TPSPB quarterly meetings and have its own governance structure. Meetings for this sub-committee may need to take place on a different date and at a different location to other sub-committees to avoid any potential conflict of interest.
3. The focus of the sub-committee will be to provide assurance to the TPSPB that for each commercial activity (including the Medical Advisers contract):
 - Appropriate project governance is being delivered by the Project Team and Project Board including risk management of project delivery and any impact on BAU.
 - All commercial projects are delivering their objectives in line with the agreed strategy, requirements, timeline, is clearly sighted on key milestones and ensure value for money within the administrative charge.
 - There are clear and appropriate communication channels in place to engage all stakeholders with an interest in the procurement process, and at an appropriate time.
 - Appropriate expertise has been engaged throughout the project to support technical aspects of the contract/process, and that appropriate sign off/clearance have been delivered to allow the project to progress.
 - The new contract will deliver the administration requirements (legal; regulatory; service standards) associated with the effective operation of the Teachers' Pension Scheme.
4. This sub-committee will oversee the scheme administration procurement project, contract extension and any additional commercial work through to the date of the signature of the new contract:
 - This will include reassuring the Board that the procurement process takes account of any significant external factors which emerge.
 - The sub-committee will comment on the shape and scope of the future administration i.e. Statement of Service Requirement.
 - The Commercial sub-committee will be expected to oversee and provide a retrospective review and report to the TPSPB of the sub-committee's achievements, and lessons learned from the project.

- The Commercial sub-committee will oversee the transition from contract signature through to “service go live” date.
5. The TPS Commercial Team will provide general secretarial support (e.g. room bookings, travel authorisation, processing expenses) alongside the TPSPB Secretariat.