

Board Meeting Summary

May 2019



Apologies and Welcomes

Mark Boyle welcomed all those attending including Charles Counsell, for whom this was the first formal Board meeting as TPR CEO, and Oliver Morley, Chief Executive of the Pension Protection Fund (PPF).

Apologies had been received from Non-Executive Director, Robert Herga.

Matters Arising

Mark Boyle recapped on the main action points from the previous day's Board Strategy Awayday and reported on the Non-Executive Committee meeting held on the same day.

CEO's report

The CEO shared his reflections on his return to TPR with the Board noting the changes the organisation has made during his time away and remarking on the need to maintain momentum and a focus on change.

It was confirmed that TPR's budget for 2019/20 had been agreed with the DWP and the Corporate Plan was therefore complete.

Members were updated on the Pensions Bill and discussed the possible risks to savers arising from the absence of a compulsory regulatory regime for superfunds.

The CEO reported on his preparations for his Work and Pension Select Committee appearance on 26 June.

Board members discussed the Job Evaluation and Reward (JER) project and the CEO reported on the staff survey results.

TPR's gender pay gap was noted to be significantly lower than the national average, having reduced from the previous year.

TPR Change Portfolio Update

The Board received an update from the Director of Change noting the ongoing size of the change portfolio.

In addition to the delivery of strategic programmes, back office systems also needed improvement and TPR would need to prioritise in order to meet budget constraints.

There was also discussion of the impact of change on TPR staff.

Director of IT Update

Members noted the challenge of supporting the organisation's current IT applications and infrastructure.

There was discussion of TPR's IT capacity and capability moving forward.

Board members recognised three pillars of IT change at TPR: portfolio, tactical and scheduled system updates.

SSRA Programme Update

The Board agreed the proposed SSRA delivery option. Given the budget requirement and the impact of SSRA on the rest of the portfolio, further thought would be given to the timescale for delivery.

The Board would receive a further update on the SSRA programme in June, prior to the business case being considered in July.

Master Trust Update

The Board received an update on Master Trust authorisation. 38 applications had been received and six Master Trusts had now been authorised. Nine master trusts had exited, and 36 were in the process of exiting.

Members discussed the authorisations to date, applications in train and any issues arising.

On behalf of the Board, the Chairman thanked the Head of Master Trusts, the Master Trust team and other teams involved for all their efforts on authorisation.

Action plan and lessons learned from the British Steel Pension Scheme Member Communications Review

The Director of Communications outlined the action plan and key learnings from Caroline Rookes' review of British Steel Pension Scheme Member Communications.

TPR has established a working group which, along with partners in the FCA, PPF and MaPS, is working to deliver the report's recommendations. The root cause of the BSPPS issue was discussed and members noted that TPR would strengthen its website guidance for trustees highlighting their accountability for communicating with members.

Consultation on clearer funding standards

The Board received a presentation outlining plans for the consultation on clearer funding standards. Full quantitative guidance would be contained in a second consultation.

There was discussion of the Long Term Funding Target (LTFT) recommended in TPR's Annual Funding Statement.

Members agreed that this was a complex area and that the consultation would need to be carefully worded.

Thinking in relation to increasing TPR's regulatory grip over administrators

The Board received an update on the activity that TPR will deliver in the next two years to drive up standards of administration. The Pensions Dashboard underlines the need for TPR to maintain traction on this.

Members discussed and endorsed the planned activity, noting the potential of the PASA accreditation scheme. Governance powers could also be used where appropriate.

Q4 Corporate Performance Report with MI and KPI Dashboard

Members were provided with an update on the end of year financial position confirming that TPR had ended the year within 3% of budget, and discussed the end of year status of the KPIs.

Annual Report and Accounts

The Executive Director of Finance and Operations confirmed that no material issues had been identified following the closure of 2018/19 accounts.

Members discussed and commented on the draft Annual Report and Accounts presented. The ARA will be presented for recommendation by ARAC and approval by the Board in June.

Approvals

The Board approved two contracts outside of the Chief Executive's financial delegation and ratified an increase in Box Clever case costs in respect of the Court of Appeal hearing.

Directors' reports

The reports of the Director of AE and the Executive Director of Finance and Corporate Services were taken as read.

The Executive Director of Strategy and Risk gave an update on the recruitment of a Head of Strategy. There was discussion around data efficiencies.

The Executive Director of Regulatory Policy, Analysis and Advice gave an update on the Pensions Bill. It was confirmed that TPR will recognise the professional trustee standard and accreditation scheme.

The Executive Director of Front Line Regulation presented case updates. Members discussed the pre-authorisation process for DB superfunds and the absence of a regulatory regime.

Any Other Business

Further to the recent Board Effectiveness Review, the Chairman asked members to self-assess against the revised Board Skills Matrix included with papers.