

Annual Report

2018/19

To the Minister for the Cabinet Office, on the
Royal Mail Statutory Pension Scheme

Alan Pickering CBE

Chair of the Royal Mail Statutory Pension Scheme Governance Group

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Executive summary

During 2018/19, the Royal Mail Statutory Pension Scheme (RMSPS) has continued to build on the strong foundations put in place over the previous six years. I am very pleased to report that the overall service provided to almost 385,000 members throughout the year is still largely of a high quality, despite some issues experienced during the transition of services in October 2018 from Royal Mail Pensions Service Centre (PSC) to Capita Employee Benefits Ltd (Capita).

For the first half of the year, PSC in Sheffield continued to provide full administration services. The administration contract with PSC came to an end on 30 September 2018 when Capita won the contract following a competitive tender process. The new service with Capita commenced on 1 October 2018 with Capita taking responsibility for administering the deferred and pensioner member populations. The administration of joint members, those with benefits in both Royal Mail Pension Plan (RMPP) and RMSPS, continued to be administered by PSC under a separate contract extension. This transition of the services from PSC to Capita was not without initial teething troubles, which was to be expected with a transition of this size, and Capita experienced initial problems which led to an increase in member complaints and a build-up of work in progress. The Cabinet Office management team, Capita and the PSC continued to work closely and as at the date of this report the complaints and work in progress levels are at acceptable levels and continue to decrease.

Cabinet Office, Capita and Royal Mail Group (RMG) continue to work together to complete the transition of services. The Governance Group, who are an advisory group, remain active in ensuring that services under the new contract are monitored and service standards remain acceptable.

The commitments made by government to a seamless service with the ongoing RMPP is currently being reviewed due to the start of the new administration contract with Capita. All key stakeholders continue to work closely to build on the existing working relationship and maintain as far as possible the alignment of the schemes and experience of services for joint members.

Financially, I am very happy to report that the accuracy of actual monthly payments was within 1.8% of the forecast. The administration costs were also below the budgeted amount, so I remain very impressed with the management and financial controls.

Overall, the Cabinet Office team are managing the scheme to a very high standard and I would like to thank all of those involved in making the RMSPS a success in its seventh year of operation. I continue to enjoy my role as Chairman of the RMSPS Governance Group with the focus over the last year having been very much on preparing for and implementing the change of service provider. In the coming year I look forward to the scheme maintaining a high level of service to members, the introduction of an online service portal for members and keeping the member experience at the heart of this new chapter for the RMSPS.

A handwritten signature in black ink, appearing to read 'Alan Pickering'.

Alan Pickering CBE

Chair of the Royal Mail Statutory Pension Scheme Governance Group

Governance Group

The RMSPS Governance Group (an advisory body) oversees the administration of the RMSPS. I am happy to report that it operates effectively and sits within the governance structure shown below. Both the Department for Business, Energy and Industrial Strategy (BEIS) and Post Office Ltd (POL) retain an interest in the RMSPS. Chris Blairs from BEIS attends quarterly meetings as a replacement for Duncan Budd. As a key member of the group, Chris will ensure the minister in BEIS (and UK Government Investments) is briefed, as appropriate, to maintain the links.

Two of our inaugural members sadly left the group during the year. Paul Williams, who transferred to Department for Education from BEIS, left the group in February. Paul's valuable input and knowledge of the roots of the scheme will be greatly missed. Brian Scott had been the Unite the Union representative from the outset, providing robust challenges and initiating interesting and lively discussions at meetings. Brian has now retired and will also be missed. Natasha Wilson, who previously represented POL, has left and has yet to be replaced on a permanent basis – but POL are still represented at the meetings.

The group plays an integral part in our engagement with the key stakeholders. It seeks assurance that a quality service is being delivered and receives feedback from scheme membership, other stakeholders and employers.

Meetings are held every quarter and the group receive a scheme management report based on the previous quarter's activities. The scheme administrator prepares these reports to include business as usual and project work. In addition to the above information, further information may be issued to the group prior to the meetings for review, and is dependent on the agenda. Additional papers are provided when matters arise and the group's input or advice is requested.

Governance: roles and responsibilities

The bodies and individuals involved in scheme governance are set out below.

- ↘ The Minister for the Civil Service (currently the Prime Minister) is the scheme manager. In practice, this responsibility is delegated to the Minister for the Cabinet Office and the Permanent Secretary for the Cabinet Office and the Accounting Officer of the scheme.
- ↘ The Cabinet Office Audit and Risk Committee supports and advises the scheme management on all relevant matters concerning audit and risk.
- ↘ The Civil Service and Royal Mail pensions management team oversees the day-to-day management of the scheme and sits in the pensions directorate which is part of Civil Service HR within the Cabinet Office.
- ↘ The Governance Group is an advisory group which includes stakeholder representatives and the Chair is appointed by the Minister for the Cabinet Office.
- ↘ The RMPP Trustee Executive has continued responsibility for the ongoing Royal Mail Pension Plan and reviews respective communications for joint members.
- ↘ The Pensions Finance Governance Group is part of the Civil Service and Royal Mail Pensions directorate, oversees the financial running of the scheme, and provides a review of the scheme report and account and other related issues.
- ↘ The day-to-day administration of the scheme was carried out by the PSC to 30 September 2018, and by Capita from 1 October 2018, under a contract with the Cabinet Office operated in accordance with the department's internal control framework.

Terms of reference and attendance

I am happy to report that the original objectives for the group to be efficient and cost effective, transparent, robust, and compliant with relevant best practice and policy for public service schemes have once again been achieved. No changes have been made to the group's terms of reference, other than to reflect new members. A copy is included at Annex A.

Attendance at the meetings throughout the year is largely consistent, and engagement is good (Table 1). A member of the RMPP Trustee Executive also attends the meetings and this input provides assurance that service delivery to joint members is continuing in a consistent way with the change of service provider.

Last year, oversight management resource within Cabinet Office was stable and consistent. I am grateful for this, due to the busy year we have faced in managing not only the business as usual activities but also the ongoing transition to a new pension administrator. A welcome addition to the team was the Transition Manager David Rennick, who was appointed by the Cabinet Office to project manage the transition of services. David attended the Governance Group meetings to keep the group fully informed of progress throughout the initial transition phases of the project.

Table 1 Governance Group attendance

Members (attendees)	Apr-18	Jul-18	Oct-18	Feb-19
Chair of Governance Group	√	√	√	√
Treasury nominated rep	√	√		√
Royal Mail Group		√	√	√
Unite the Union		√	√	√
Post Office Ltd		√	√	√
National Federation of Occupational Pensioners	√	√	√	√
Communication Workers Union (two reps)		√	√√	
Cabinet Office members (two reps)	√√	√	√	√
Department for Business, Energy and Industrial Strategy	√			√
Independent		√	√	√

Governance Group themes

The RMSPS is not included in the scope of the Public Service Pensions Act 2013. However, since its inception the decision was made that the RMSPS would comply 'with the spirit of the act'. This year, our main focus has been planning for the transition of services to the new administrator along with the implementation of legislative changes relating to data protection. The new General Data Protection Regulations came into force in May 2018 and the scheme was fully prepared with the appropriate privacy notice, data management policy, processing requirements (including data subjects' rights processing) and data breach reporting processes.

Much of the content of the meetings this year has been taken up with transition planning, with regular progress updates being given to the group for each strand of the transition work. Some meetings had attendance from both PSC and Capita who have worked closely together in readiness for the transfer of services. Stephen Humphrey, the HM Treasury representative, and I also sit on the Transition Board which has been the Cabinet Office's control for the transition of services project. The meetings remained aligned with the groups' objectives and continued to contribute to improving the knowledge of the management and operation of the RMSPS.

We continue to consider the administration of services for joint members, as when joint member processing is fully transitioned, the administration of this population of members will sit with two different administrators. A great deal of collaborative work continues between the Cabinet Office, PSC, Capita and RMPTL with an aim of ensuring the transition for these members and ongoing administration is as smooth and joined up as practicable.

Pensions Finance Governance Group

The Pensions Finance Governance Group provides proper oversight of financial management within Civil Service and Royal Mail Pensions directorate. It provides Cabinet Office Audit and Risk Committee with additional assurance on the financial management of the scheme and the quality of its financial reporting.

The scheme was discussed at five meetings during the year, with representatives from National Audit Office, Government Actuary's Department and the Cabinet Office central finance team. The group discussed the 2017/18 annual report and accounts, the main and supplementary estimates and the audit planning report for 2018/19.

Although not part of my formal remit, I am assured that this group has the correct level of controls and monitors the schemes finances in the appropriate way. The annual report and accounts for 2018/19 were unqualified.

Member communications

Member communications remain appropriate, effective and in alignment with RMPP, and the following were sent out in 2018/19:

- ↘ pension increase letters and P60s to all pensioner members in March and April 2018
- ↘ annual benefit illustrations to those still in active service and a current value statement to deferred members in September and October 2018
- ↘ letters to members living overseas, aged over 70, were sent in February 2018 to seek confirmation of their continued entitlement
- ↘ up to 30 September 2018, we used the RMPP website for members to access leaflets and information, from 1 October 2018 the RMSPS launched its own RMSPS website containing information on the scheme including scheme leaflets
- ↘ a mail out was sent to all RMSPS members in August 2018 to inform them of the change of pension administrator

Reporting to the minister

Each year since I took the chair in 2012, I have had a meeting with relevant ministers. Sadly, for a variety of reasons and other time pressures on the minister, not least Brexit, such a meeting was not possible during 2018/19. However, I have had regular meetings with civil servants at every level within the Cabinet Office and, as a result, I know that ministers are being made aware of issues on the Governance Group's agenda. I hope to meet the minister in the near future in order to maintain the ongoing dialogue which is essential to securing continued support for the large clientele whose needs the RMSPS is seeking to meet.

Stakeholders

Employers of the RMSPS

Members of RMSPS come from two major employers, Royal Mail Group (RMG) and Post Office Ltd (POL), with associated employers. Both POL and RMG have member representatives on the Governance Group and are regarded as key stakeholders of the scheme.

A good relationship with the employers is important for the RMSPS. It is essential that we have open channels of communication with both employers so that we can take early action, should any changes be planned that might impact RMSPS members. This year, these channels have again been productive in discussing the transition of services and helping to ensure that any risks to continuity in service to members were identified and well managed.

RMG has implemented a new scheme this year after closing RMPP to future accrual in March 2018. This is not expected to impact the RMSPS.

Trade unions

There are two major trade unions to which members of the RMSPS may belong: the Communication Workers Union, and Unite the Union (Unite). Again this year, I met with some of the stakeholders to understand what, if any, meetings were needed outside of the group meetings and neither of the unions requested additional meetings. With the retirement of Brian Scott, a new Governance Group member, Jimmy Grime, was appointed to represent Unite. In August an induction meeting was held with Jimmy, myself and Cabinet Office to explain the roles, responsibilities and mechanics of the scheme management.

Both unions have direct contact with the Cabinet Office management team throughout the year to discuss individual member problems and resolve them quickly, or to clarify more general issues relating to the scheme.

National Federation of Occupational Pensioners

The National Federation of Occupational Pensioners (NFOP) is the largest occupational pensioner organisation in the UK, providing help and support to over 54,000 members, of which more than 22,000 are members of RMSPS. The NFOP is a non-political organisation, although it does lobby MPs and Peers, and regularly responds to government consultations on issues affecting older people.

The NFOP raises discussion topics and offers challenges for the Governance Group to consider, while also contributing feedback from members, which is a valued source of information from the RMSPS pensioner membership.

The Royal Mail Pension Plan

As previously mentioned, I am pleased to report that the close day-to-day working relationship between Cabinet Office, Capita and RMPTL has been maintained. The main focus this year has been the transition of services and three-way discussions have been key in establishing new ways of working with two different pension administrators. A data sharing agreement has been put in place between Cabinet Office and RMPTL, which is an important measure to allow the flow of member data to continue between the two schemes.

In addition to transition over the year the RMSPS teams have worked with the RMPTL on a range of joint operational areas such as:

- ↳ joint complaint and discretionary benefits cases
- ↳ joint internal dispute resolution cases
- ↳ issue of benefit illustrations and current value statements
- ↳ joint member experience principles

The RMPTL team's guidance, advice and support are invaluable, with the good working relationship being a significant contributory factor to the delivery of joint member services.

Membership statistics

The RMSPS has three main types of members:

- ↳ pensioner members (who are in receipt of a pension from the RMSPS)
- ↳ deferred members (who are not yet in receipt of their pension)
- ↳ active deferred members (those members who remain in pensionable service within the RMPP)

The scheme also has dual status members: members with two benefits entitlements. This arose when the rules on normal retirement age changed from 60 to 65, known as NRA60 and NRA65. Current member statistics are shown in the table below. The numbers have remained fairly consistent in the last two years, but we expect the number of deferred members taking up their pension to increase sharply towards the end of the decade. (Dual status member numbers are included in the pensioner numbers.)

Table 2 Membership numbers as at 31 March 2019

Class of membership	Apr 12	Apr 13	Apr 14	Apr 15	Apr 16	Apr 17	Apr 18	Apr 19
Pensioners	183,829	183,798	184,954	186,219	188,894	191,697	192,782	196,502
*Dual status	6,157	7,718	9,664	10,957	11,884	13,019	14,026	14,702
Deferred	241,994	236,463	229,519	221,807	212,859	190,757	181,840	173,324
Total	425,823	420,261	414,473	408,026	401,753	395,473	388,648	384,528

Contractual arrangements

The contract with PSC came to an end in September 2018. I am pleased to report that, up to that point, the agreement, which was based on a sharing of the costs of the PSC between the RMSPS and RMPP, worked well, and the commitments to deliver a high quality service continued throughout. There has been an extension to this contract to permit PSC to continue to administer the population of joint members in respect of the calculation of benefits from both RMPP and RMSPS while the final transition of this population is delivered.

In awarding a new contract, the procurement had aimed to achieve the following business needs to:

- ↳ put in place a service credit mechanism for breach of service level agreements
- ↳ ensure the contract is in line with current government commercial policy
- ↳ increase the quality of service – for example web-based services, self-serve and other value add offerings for members

There was also the objective to deliver an agile, flexible and incentivised pension administration service through the optimum commercial model, to be achieved through the adoption of the Crown Commercial Services (CCS) 'Model Services Contract'.

The Model Services Contract was used as CCS mandates that this type of contract is used by central government in procurement of all goods and services where the total contract value is over £10 million. It is also more aligned with current government priorities and favoured business practices, securing value for money while reducing administration costs, legal costs and negotiation time. Its terms reflect industry best practice and in most cases, industry standard approaches to what are often contentious issues such as supplier warranties, limitation of liability and termination.

As a government contract, the cost of each bid was one factor in the selection process but it was not the only or main consideration and was only part of the selection criteria scoring mechanism. The aim was to provide a more commercially-based contract which would allow the Cabinet Office greater flexibility to drive improved services and to have standard contractual penalties in place for core service failures.

Performance and reporting

Formerly PSC and currently Capita are required to provide a monthly report to the scheme manager to show performance in all key areas against the contractual key performance indicators. Monthly service review meetings are held with the administrator and the scheme manager to review both the performance and quality of services under the contract and to identify and manage risks.

I also receive a full quarterly report on Capita's performance which is presented to the Governance Group by the administrator. I am happy that the format, quality and content of the report currently provides me with sufficient information of Capita's performance in all key service areas. The format of this report continues to be developed with Capita, the scheme manager and myself to ensure that it fulfils the objective to provide a full transparent picture of scheme activity to enable effective monitoring.

Overpayments

The amount of overpayments made and the percentage recovered is a strong indicator of the effectiveness of any pension administrator. I am pleased to report that the vast majority of overpayments are as a result of late notification of death, which is expected, rather than as a result of error. We continue to improve communications on how to report the death of a member to improve this statistic. The figures from the start of the RMSPS (April 2012) to April 2019 give a better view of the rate of overpayments than looking at the year in isolation. I am pleased to report that PSC and Capita perform well in this area with an overpayment rate which remains steady at 0.05%. To date, 70% of overpayments have been recovered (Table 3). The balance is recovered through a rolling process of recovery over a period of years.

Table 3 Overpayments as at 31 March 2019

Total overpayments (£)	Total payments (£)	%
4,408,792	8,941,484,221	0.05%
Total overpayments	Total transactions	%
7,354	18,055,611	0.04%
Overpayments recovered (£)	Total overpayments (£)	%
3,097,519	4,408,792	70.25%

The scheme manager and Capita jointly continue to develop our processes to recover overpayments more efficiently. Achieving recovery where it is possible is our aim, while ensuring that resource is appropriately utilised so we do not unnecessarily chase overpayments where there is no realistic chance of recovery or where the cost of recovery exceeds the overpayment amount. This is an area that the Governance Group has interest in and continues to monitor carefully.

Transition

I continue to sit on the transition board run by the Cabinet Office, so I am fully aware of the ongoing work being carried out to transfer the joint member population of RMSPS administration to Capita. It was hoped that the transition would be concluded by now, but this has not been possible and the decision to delay this final transition has been made with the member experience as a primary consideration.

Issues

There were no significant issues reported within PSC or Capita in the financial year.

Advisors to the scheme and their input

Actuarial advisors

The Government Actuary's Department (GAD) continue to play a key role in providing traditional actuarial services for the scheme. Their advice on a wide range of queries and inputs to gathering information for the procurement has been invaluable. Overall, GAD has made a very worthwhile contribution to the success of the RMSPS because of their historic knowledge of the scheme. This is also true of the transition work where GAD's corporate memory and technical input has been called upon.

Legal advisors

The lawyers in HM Treasury solicitor's department (now known as Government Legal Department or GLD) provided the RMSPS with primary legal advice. Pinsent Masons also provided legal advice on the procurement exercise.

The GLD team have provided an excellent legal service to the team, mainly in respect of advice on the scheme rules, overpayments and policy. Overall they have made a substantial contribution to the success of the scheme.

Casework

Discretions

At the start of the reporting year, the discretions manager widened the delegated power given to the administrator for death benefit cases where the lump sum is payable to the estate (personal representatives) under scheme rules.

The RMSPS has a wide range of discretionary powers in relation to death benefit payments and this is an area where volumes can be unpredictable so assumptions have to be made. For 2018/19, an increase of 4% was forecast but you will note from the table below that, there has been an actual decrease of 35% on last year. Following Capita's take on of the administration work from PSC, there was an initial build-up of work in progress. The work was brought back to acceptable levels in May and June 2019 and therefore some of the reduction compared to forecast is due to timing differences.

Table 4 Discretionary decision cases

Types of cases	A	M	J	J	A	S	O	N	D	J	F	M	Total
Discretions forecast	66	60	52	59	85	70	54	67	30	45	67	58	713
Discretions actual	43	45	29	50	58	37	33	24	25	21	27	43	435

The low level of internal dispute resolution complaints in this area shows that a quality service is delivered to members. The team work closely with RMPTL, who lead on the joint RMPP/RMSPS discretion cases.

Where there are particularly difficult or contentious cases, the RMSPS discretions panel can review and provide the discretions manager with support in coming to a decision. In this financial year, one case was considered by the panel and agreement reached.

For joint discretion cases where power of delegation has not been given or where the outcome may be unclear or contentious, a joint discretions sub-committee is in place to discuss and decide the cases. This is made up of members appointed by the RMPP Trustee board and members of the RMSPS management team. The committee have exercised their discretion on 16 cases during the last year.

I have not received an audit report of discretionary decisions this year. The reason for this was it was not considered necessary to audit PSC decisions in the last six months of the contract with them as no weaknesses had been identified in the previous year. An audit of the Capita discretionary decisions has not been undertaken yet but will be planned for next year.

Complaints (dispute resolution)

The RMSPS operates a two-stage dispute resolution procedure for dealing with complaints, which is similar to many other pension schemes. The number of Stage 1 and 2 cases remains consistent with last year with no specific areas of concern to report. I am pleased to report that the number of such complaints is exceptionally low for a scheme of this size (Table 5).

Capita did experience high levels of complaints in the first few months of their administration due to higher casework numbers than anticipated and the bedding in of their processes. I am pleased to say a plan to deal with these cases was implemented and complaints were on the whole effectively dealt with.

Three cases went to the Pensions Ombudsman during the year. Adjudicator opinions were provided for these cases which did not uphold the complaints, in two of these cases the applicant asked for the Pensions Ombudsman to re-review their complaint. One was accepted for re-review but the adjudicator's opinion was upheld.

Table 5 Total complaints received at each stage

Stage 1 Administrator	Stage 2 RMSPS team	Ombudsman
14	4	3

Financial management of the scheme

The RMSPS is the subject of a separate vote by Parliament to cover the cost of all pensions and pension related benefits. Additionally, a budget is allocated to cover the administration cost of the third party administrator, which included pension administration services, my salary, Cabinet Office team costs and the costs of advisors.

Pension payments

I am pleased to see that actual payments were within 1.8% of the forecast and that there were no issues raised in relation to the vote (Table 6). The accuracy of forecasting is a difficult discipline which the scheme manages well in relation to a scheme of this size.

Table 6 Monthly pension payments

	Forecast (£)	Actual (£)
YTD total	1,392,886,315	1,367,466,853

Administration payments

The administration budget is being declared as a slight underspend of £1,800 for the full year, against a budget of £6.96 million.

The extension to the current Royal Mail Pensions Administration contract for joint member services has continued in 2018/19, due to the transition of services not being fully undertaken during 2017/18. There is a reimbursement mechanism in place with Capita to cover the ongoing costs of using PSC for the joint member administration services.

I remain impressed with the financial control that has been demonstrated.

Table 7 Departmental RMSPS budget

Budget (£)	Actual (£)	Variance (£)
6,959,002	6,957,211	1,791

Annual accounts and external audit

I am pleased to report that following completion of an annual audit, the National Audit Office has recommended that the annual accounts should be certified with an unqualified opinion.

Policy issues

The quarterly management report provides me with an update on any policy issues that have arisen in the period. There have been no significant issues to report this year and the Cabinet Office team continue to work closely with both RMPP and the administrator to identify any issues that could affect the scheme and seek to be proactive to any that arise.

Discussions have been held with Royal Mail Group on their plans to reform its pension scheme. Royal Mail Group reformed its pension scheme and members will build up benefits in a Defined Benefit Cash Balance Scheme with effect from 1 April 2018. This is not expected to have an impact on RMSPS.

Changes to the rules

No changes to the rules were made in the financial year and there are no changes currently planned.

Other issues

There were no other major issues that impacted the scheme.

Future planning

While continuing to deliver a quality service to our members and meet business as usual obligations, the solution for the delivery of joint member services is a major piece of work for 2019/2020.

I am pleased that the collaborative partnerships that have been established continue to work well with all parties involved having the member experience as the key focus.

Development of the online services portal for optional member self-service arrangements is well under way and this is scheduled for implementation in the autumn.

There are new risks, which have been identified and continue to be managed through a robust risk management framework that considers the impacts and the mitigating actions.

The team will also be monitoring workload carefully to identify where steps need to be taken to increase resources should there be a sudden unexpected increase in casework.

Conclusion

I am pleased to be able to present a positive report for a year that presented a new range of challenges for the team, who continue to deliver quality work at pace. Next year the challenge will be to implement a continuous improvement plan with Capita Employee Benefits as part of the new contract. I am confident that the team, and everyone involved, will do their best to make the RMSPS one of the best-managed and administered public service pension schemes and continue to rise to any new challenges that inevitably materialise in a scheme of this size.

Annex A

Terms of Reference for the Governance Group of the Royal Mail Statutory Pension Scheme (RMSPS)

Effective date: 1 April 2012 – agreed by the Group on 1 April 2014

1. Purpose of the Governance Group

The RMSPS Governance Group is an advisory group with four primary functions.

- ↘ It oversees the administration of the RMSPS scheme and receives reports that provide assurances on its performance and efficiency. This will include reporting on any feedback received from stakeholders from the scheme membership.
- ↘ It oversees and inputs into communications with the scheme membership and other stakeholders and reports back on any stakeholder views on business as usual or other additional communications.
- ↘ It monitors cross-scheme issues to ensure consistency and a seamless service for members.
- ↘ It develops co-operative working relationships with all of the stakeholders of the RMSPS and provides a forum to receive feedback from them on their organisations' or members views or issues with the scheme.

2. Changes to the terms of reference

- 2.1 The terms of reference can be amended by agreement between the Chair of the Governance Group and the Head of the Scheme Management of the RMSPS.

3. Appointment and removal of group members

- 3.1 The chair of the group is appointed by the Secretary of State (Minister for the Cabinet Office) for a two-year term, which may be renewed.
- 3.2 The Governance Group will have one member from each of the following nominating bodies:
 - ★ Cabinet Office
 - ★ HM Treasury
 - ★ Department for Business, Energy and Industrial Strategy
 - ★ Royal Mail Group
 - ★ Post Office Ltd
 - ★ National Federation of Occupational Pensioners
 - ★ Communications Workers Union (two members)
 - ★ Unite the Union
 - ★ Independent
- 3.3 Members of the Governance Group will be nominated by the bodies listed but will represent the interests of all of the schemes' beneficiaries and stakeholders and not just those of the nominating body.
- 3.4 Governance Group members will be appointed for a two year term which may be renewed. For the first appointments in 2012, five group members will be appointed for one year only, but may then be further nominated. This is to avoid all members' terms of office ending at the same time.
- 3.5 Governance Group members are expected to attend all meetings in person and there will be no alternate representation.
- 3.6 Governance Group members may be removed at the decision of the chair if they fail to attend three consecutive meetings.

- 3.7 Other than for non-attendance outlined in 3.6, a member of the Governance Group may only be removed from office during a term of appointment with the agreement of all other Governance Group members.
- 3.8 Members of the Governance Group may resign from the Governance Group by giving three months' notice in writing to the chair.
- 3.9 With the exception of those nominated by civil service departments, members of the Governance Group will cease to be members of the group upon ceasing to be members of the nominating body. Civil servant members who change departments may continue to serve on the Governance Group to the end of their term of office at the discretion of the chair.
- 3.10 In the event of resignation or other removal, the Head of Scheme Management of the RMSPS will ensure that an alternative member is appointed within three months of the date of resignation or removal.
- 3.11 In the event of resignation or other removal, the Governance Group can continue to meet and conduct its business.

4. Conduct of business

- 4.1 The chair will report the activities of the Governance Group to the membership and to stakeholders, including the relevant minister.
- 4.2 The Governance Group will meet at least quarterly. Meetings will generally be at fixed intervals, but may be moved from time to time to correspond with any significant events relating to the RMSPS, for example, a major communication with members.
- 4.3 The chair of the Governance Group may call a meeting at any time providing two weeks' notice is given.
- 4.4 It is not anticipated that there will be any sub-groups to the Governance Group but the group may invite specialists or relevant experts to attend the meeting from time to time.
- 4.5 The scheme management function of the RMSPS will provide secretariat support to the Governance Group.
- 4.6 Minutes of all Governance Group meetings will be recorded. Draft minutes will be circulated to the Governance Group members by the secretariat and will be ratified by members at the next meeting.
- 4.7 Members of the Governance Group will receive induction and ongoing training on relevant subject areas. This will be included in the regular meetings.

Nominating unit	Individual	Term
Chair	Alan Pickering	To 31 March 2020
Cabinet Office	Debra Soper	to 31 July 2018
	Dominic Arthur	To 31 March 2019
HM Treasury	Stephen Humphrey	To 31 March 2020
Department for Business, Energy and Industrial Strategy	Christopher Blairs	To 31 July 2019
Independent	Paul Williams	To 31 March 2021 resigned 31 March 2019
Royal Mail Group	Douglas Hamilton	To 31 March 2021
Post Office Ltd	Stephen Tiley	Interim
National Federation of Occupational Pensioners	John Hearn	To 31 March 2020
Communications Workers Union (two members)	Joe Malone	To 31 July 2019
	Katrina Quirke	To 31 March 2020
Unite the Union	James Grime	To 31 May 2020

