

WORKSTREAMS UPDATE

SUMMARY

1. This report sets out an update on the workstreams that were agreed at the Pension Board in January 2016.
2. The workstreams are designed to ensure that the Board operates in compliance with the Pension Regulator's Code of Practice for Pension Boards.
3. The list of activities is not exhaustive and can evolve over the next 1-2 years as the work of the Board develops.

RECOMMENDATIONS

4. That the Board considers the workstreams that are set out in this report.

WORKSTREAMS

5. Appendix 1A of this report sets out the workstreams proposed for the Pension Board over the short-to-medium term.
6. The workload aims to meet the main requirements of the Code of Practice for Pension Boards and has therefore been shaped into three broad areas:-

Governance, Administration and Communication

7. The elements that are timetabled to be reported upon at this meeting are set out below:-

- **Governance**

G4 workstream – Knowledge

Appendix 1B sets out the knowledge requirements of Pension Board members. In order to assist with the development of knowledge, relevant information has been housed on the Authority's main website.

Further training in support of the G3 workstream (Training) can be arranged to meet any knowledge gaps that Pension Board members identify during 2016. Once a topic has been agreed it is envisaged that the next Pension Board training session will be programmed for November 2016.

G5B workstream – Summary of Complaints received

A clear process for complaints has been adopted and is a key component of the governance of the Firefighter Pension Schemes (FFPS). Appendix 1C sets out anonymised information that relates to all complaints that were received in the operation of the FFPS during 2015/16.

G6 workstream – Risk Register

The Authority's team involved in the operation of the FFPS have developed a comprehensive Risk Register attached as Appendix 1D.

The Risk Register identifies the two most dominant risks as the maintenance of Member data (Risk 2) and also legislative changes (Risk 7).

These risks reflect the recent significant changes in the FFPS which have brought a much greater emphasis on the completeness and accuracy of data and a number of fundamental scheme changes and legal rulings.

Both of those risks will be monitored carefully and it is felt that the mitigations and controls in place at present are sufficient.

- **Administration**

A2 workstream – Costs per member and number of scheme members

Appendix 1E of this report sets out the current baseline position of scheme members including those currently contributing to the 1992, 2006 and 2015 schemes and those in receipt of a pension.

This information will be brought to each Board meeting. Perhaps most striking is that approximately 60% of those contributing are in the 2015 scheme. This should increase over time as those in the 1992 scheme either retire and draw a pension or transition into the 2015 scheme. This analysis underlines the need for robust and complete information in relation to pay for the 2015 scheme which relies on career average earnings as the driver of pension benefits rather than final salary.

A3 workstream – Data for CARE and data quality

The 2015/16 FFPS data has now been formally submitted to the Authority's pension scheme administrators – West Yorkshire Pensions Authority.

The narrative attached as Appendix 1F to this report sets out the steps that have been taken to complete this exercise.

This is the first year that a CARE exercise has been undertaken and therefore learning from the process can be applied to the 2016/17 exercise that will be undertaken in April 2017.

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8. The A1 (KPIs and Benchmarking, SLAs) and C3 (Benefit Statements) workstreams will be reported to the January 2017 Pension Board in addition to those items that are reported to each meeting of the Board.

STRATEGIC PLAN COMPATIBILITY

9. No direct issues arising.

FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

10. No direct issues arising.

LEGAL IMPLICATIONS

11. The workstreams outlined in this report will ensure that HFRS can run a legally compliant Pension Board.

EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

12. No direct issues arising.

CORPORATE RISK MANAGEMENT IMPLICATIONS

13. No direct issues arising.

HEALTH AND SAFETY IMPLICATIONS

14. No direct issues arising.

COMMUNICATION ACTIONS ARISING

15. No direct issues arising.

DETAILS OF CONSULTATION

16. No direct issues arising.

BACKGROUND PAPERS AVAILABLE FOR ACCESS

17. Papers as attached.

RECOMMENDATIONS RESTATED

18. That the Board considers the workstreams that are set out in this report.

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