

HUMBERSIDE FIRE AUTHORITY**PENSION BOARD****29 JANUARY 2016****PRESENT:**

Employer representatives: Councillor Hodgson (Chairperson) and K Evans (Director of Public Safety). GM Kirby attended as an observer (Minute 5005 below refers).

Scheme Member representatives: R Vaux and D Riggall

Executive Director Service Support/Section 151 Officer and Scheme Manager, Monitoring Officer/Secretary, Senior Finance Officer (Contracts and Procurement), Finance Officer (Pensions), Finance Manager and Committee Manager were also present.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull. Meeting commenced at 10.30 a.m.

5002 DECLARATIONS OF INTEREST - Councillor Hodgson, K Evans (Director of Public Safety), R Vaux and D Riggall declared that they were members of the Fire Service Pension schemes or otherwise in receipt of pensions.

5003 MINUTES – The minutes of the meeting of the Board held on 17 July 2015 were submitted. A Member stated that at the previous meeting he had raised an issue regarding governance and the complaints procedure but that this was not mentioned in the minutes. The Member also mentioned that the meeting had discussed the provision of email facilities so that Members of the Board could communicate with one another, but that this had not yet been arranged. The Director of Public Safety stated that he would address this issue after this meeting.

Resolved – That the minutes of the meeting of the Board held on 17 July 2015 having been printed and circulated amongst the Members, be taken as read and correctly recorded and be signed by the Chairperson.

5004 MATTERS ARISING FROM THE MINUTES – No items.

5005 APPOINTMENT OF NEW EMPLOYER REPRESENTATIVE – The Monitoring Officer/Secretary reported orally that following the decision of the Director of Public Safety (K Evans) to retire on 31 March 2016 his post would be filled on a temporary basis by GM J Kirby, with a new appointment process taking place in summer and that the Corporate Management Team had recommended that in these circumstances Mr Kirby (initially) and thereafter Mr Evans' permanent successor shall be the Officer representative for the remainder of Mr Evans period of office.

Resolved – That the report be noted.

5006 THE PENSIONS REGULATOR – SURVEY OF PUBLIC SERVICE PENSION SCHEMES DECEMBER 2015 – The Executive Director Service Support/Section 151 Officer submitted a report which had attached for information at Appendices 1 and 2 two reports issued by the Pensions Regulator in December 2015 as follows:

- Public service governance and administration survey (Appendix 1).
- Public service governance and administration research (Appendix 2).

The reports were based on a survey of public service pension schemes that was undertaken by the Pensions Regulator in the summer of 2015. The findings provided a useful overview of the wide array of public service pension schemes and were helpful in identifying areas of focus for the Service's operation of the Firefighters' Pension Scheme and the Pension Board, most notably the creation of a Risk Register and the emphasis to be placed on data

presence and accuracy, particularly in the case of the latter with regard to the 2015 CARE scheme. These elements were featured in the proposed programme of workstreams included elsewhere on the Agenda for this meeting.

A Member referred to the training event he had attended which had highlighted the need for pension data to be extremely accurate from the outset and queried whether any work had been undertaken to validate the Service's pension data. The Senior Finance Officer (Contracts and Procurement) stated that the service had worked with the Pensions Administrator and the Pension Funds regarding the accuracy of the pension data.

Resolved - That the Board notes the reports issued by the Pensions Regulator in December 2015.

5007 PENSION BOARD - WORKSTREAMS - The Executive Director Service Support/ Section 151 Officer submitted a report regarding the proposed workstreams that will be brought before the Pension Board over the next 1-2 years as set out in Appendix 1 to the report. The workstreams were designed to ensure that the Board operated in compliance with the Pension Regulator's Code of Practice for Pension Boards and had therefore been shaped into three broad areas:

Governance, Administration and Communication

The list of activities was not exhaustive and could evolve over the next 1-2 years as the work of the Board develops. Attention was drawn to the following elements that were timetabled to be reported upon at this meeting:

- **Governance**

G2 workstream – Code of Practice - The requirements of the Code of Practice (Appendix 1A) had been reviewed and used as a driver for the workstreams set out in Appendix 1 to the report. This will always be an iterative process and will be continuously reviewed as the Board develops over the coming months and years.

G4 workstream – Knowledge - Appendix 1B set out the knowledge requirements of Pension Board members. In order to assist with the development of knowledge, relevant information has been gathered together and arrangements to make this accessible are currently under discussion and will be circulated shortly. It was suggested that Members might assess their knowledge requirements later in 2016 after the Board has had 2-3 meetings and after accessing the information housed in Dropbox. Further training in support of the G3 workstream (Training) could be arranged to meet any knowledge gaps that Pension Board members identify during 2016.

G5 workstream – Complaints – A clear process for complaints was a key component of the governance of the Firefighter Pension Schemes (FFPS). Appendix 1C set out the flow chart that will be followed to deal with any complaints in relation to the FFPS. The Executive Director Service Support/ Section 151 Officer stated that the information would be placed on the Authority's website so that it is publicly available.

A Member sought clarification as to the type of complaints that the Board might be called upon to look at. The Executive Director Service Support/Section 151 Officer stated that the Board might receive general data regarding the number of complaints received but would not look at individual complaints. The Monitoring Officer/Secretary stated that the Board would be looking at trends i.e. how many cases of complaints are being submitted to the Pensions Administrator. A Member suggested that some other authorities look at complex cases i.e. surrounding payment of benefits upon death. The Senior Finance Officer (Contracts and Procurement) stated that the Fire Service pension schemes were

quite clear on that point. The Executive Director Service Support/Section 151 Officer stated that a snapshot of complaints received during the previous six months could be submitted to each Board meeting. The Monitoring Officer/Secretary suggested that it might be helpful at a Member Day if Officers gave a brief outline of how the complaints procedure works.

- **Administration**

A2 workstream – Costs per member and number of scheme members - Appendix 1D of the report set out the initial baseline position of scheme members including those currently contributing to the 1992, 2006 and 2015 schemes and those in receipt of a pension. The information would be brought to each Board meeting. Perhaps most striking was that approximately 60% of those contributing were in the 2015 scheme. That percentage should increase over time as those in the 1992 scheme either retired and draw a pension or transition into the 2015 scheme. The analysis underlined the need for robust and complete information in relation to pay for the 2015 scheme which relied on career average earnings as the driver of pension benefits rather than final salary. The Executive Director Service Support/ Section 151 Officer drew attention to the cost per member (£19.16) and stated that work would be carried out to benchmark that cost against other comparative schemes.

- **Communication**

C1 workstream – Communication by the Service's scheme administrators - Appendix 1E to the report contained the latest communication from the Service's scheme administrators to scheme members. The Service's scheme administrators aimed to communicate in this way at least twice a year.

C2 workstream – Communication by the Service - Appendix 1F to the report set out screen shots showing an example of the information that will be available via the Service's portal with regard to pension information. This was an ongoing piece of development work. Any urgent pension related issues would be highlighted as messages in payslips as required. The expectation was to launch this before the end of February 2016.

The report indicated that the A3 (Data for CARE and data quality) and C4 (Calculators) workstreams will be reported to the July 2016 Pension Board in addition to the A2 (Costs per scheme member and number of scheme members) workstream which will be reported to each Board meeting.

A Member acknowledged the intention to make information available on the Service's portal but queried whether a link could be placed on the Authority's website so that retired members might be able to access the information. The Member also referred to the training recently undertaken by some Board members since the last meeting and suggested that Member Days might be arranged for Board Members outside of the meeting schedule. The Executive Director Service Support/ Section 151 Officer stated that there was a lot of information available for pension scheme members and discussions would be held with IT as to the best way of allowing access to that information, which is publicly available information. With regard to Member Days the Monitoring Officer/Secretary confirmed that there was no issue with such an arrangement which would not involve any decision making by Board Members. The Executive Director Service Support/ Section 151 Officer stated that he would aim to diary a Member Day event and then liaise with Members regarding suitable topics nearer the time of the event. A Member asked whether the Pensions Regulator had specified a date by which everything required by statute should be in place. The Monitoring Officer/Secretary stated that first Members should look at the core requirements from statutes, take advice from the Pensions regulator and then develop the role of the Pension Board over time.

Resolved – (a) That the Board approves the workstream timetable as now amended and set out in Appendix 1 to these minutes as the basis of its activities for the coming 1-2 years, and

(b) that the Executive Director Service Support/Section 151 Officer will diary a Member Day event and then liaise with Members regarding suitable topics nearer the time of the event, and that the first event shall include a brief outline of the complaints procedure and also a preliminary look at Members' knowledge requirements as set out in Appendix 1B to the report.

OTHER MATTERS

5008 Fire Brigades Union Correspondence Regarding an Ombudsman Decision on Protected Pension Age of a Police Officer – A Member referred to a decision of the Ombudsman and guidance issued by the Local Government Pension Scheme Adviser regarding tax implications that might affect some Fire Pension scheme members. The Monitoring Officer/Secretary stated that a briefing on the implications of the case could be submitted to the next meeting. A Member also suggested that it might be helpful to inform pensioners of the need to inform their tax office if they subsequently take up employment in another tax office area.

Resolved – That the report be noted.

Meeting closed at 11.05 a.m.

Appendix 1**PENSION BOARD – PROPOSED WORKSTREAMS**

	Workstream	Progress	Report to Pension Board		
			Previous	Today	Future
GOVERNANCE					
G1	Establish the Pension Board	Completed	July 2015		
G2	Code of Practice	Appendix 1A sets out the full version of the current Code of Practice		January 2016	
G3	Training	Ongoing with initial training completed July/August 2015	July 2015		
G4	Knowledge	Appendix 1B sets out a knowledge matrix as a basis on which to identify Pension Board Members' knowledge gaps		January 2016	Each Pension Board
G5	Complaints	Appendix 1C sets out a flowchart for the current complaints procedure for the FFPS		January 2016	
		Snapshot of complaints received			Each Pension Board
G6	Risk Register	Work has started on the development of a risk register			July 2016
ADMINISTRATION					
A1	KPIs and Benchmarking, SLAs	Work is ongoing with the Service's FFPS Administrator and will be reported to the January 2017 meeting			January 2017
A2	Costs per member and number of scheme members	Appendix 1D sets out this in detail based on information as at 31 December 2015 and will be reported to each Pension Board going forward		January 2016	Each Pension Board
A3	Data for CARE and data quality	The recent move to the new ERYC payroll system will facilitate the production of this information by 31 March 2016			July 2016
COMMUNICATION					
C1	By Scheme	Appendix 1E sets out a copy of the latest communication by the Service's scheme Administrators		January 2016	
C2	By the Service	Appendix 1F sets out the screen shots for accessing Pension Information via the Service's portal		January 2016	
C3	Benefit Statements	Work is ongoing in this area and will be reported to the January 2017 Board			January 2017
C4	Calculators	There are potential flaws in the use of calculators so they need to be interpreted carefully. It is proposed that worked example scenarios are brought to a subsequent Board in order to assist knowledge and understanding			July 2016

