

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Pension Board
held in the Sycamore Room, Headquarters, Shrewsbury
on Friday, 16 June 2017 at 10.00 am**

Present

Members

Employer Representatives

Andy Johnson	Deputy Chief Fire Officer	DCFO
James Walton	Treasurer and S151 Officer	Treasurer

Member Representatives

Matt Lamb	Brigade Secretary, Fire Brigades Union	ML
Tony Talbot	Retained Firefighters Union Representative	TT

Officers

Lisa Vickers	Human Resources Manager	HRM
Vicky Jenks	Senior Pension Officer, Shropshire Council	SPO
Lynn Ince	Executive Support Officer	ESO

1 New Employer Representative

The Board welcomed Andy Johnson, Deputy Chief Fire Officer, as the new employer representative following the previous Chair standing down on appointment to the Chief Fire Officer.

2 Appointment of Chair

It was proposed by James Walton, seconded by Matt Lamb, and with no other nominations, it was

Resolved on a unanimous vote that the Deputy Chief Fire Officer be appointed as Chair.

3 Apologies for Absence

None

4 Conflicts of Interest

The Treasurer declared a potential conflict of interest in that he is the Pension Scheme administrator of Shropshire of the Shropshire County Pension Fund (SCPF). The Treasurer stated that he was comfortable with this situation and was merely bringing it to the attention of the Board for information. The Chair

noted the situation and stated that he would be mindful of it in Board meetings.

The HRM advised that other Pension Board have S151 officers as Members. The Chair undertook to raise the issue at the forthcoming training sessions to obtain clarity and best practice guidance regarding the situation.

4 Minutes

Resolved that the minutes of the Pension Board meeting, held on 29 September 2016 be agreed and signed by the Chair as an accurate record of that meeting.

Review of Actions from 29 September 2016

- Training has been done
- Board Minutes to be published on Service website under Fire Authority meetings – LI to action.

5 Pension Board Annual Work Plan

The Board considered the Pension Board Annual Work Plan and identified the following with regard to it:

- Terms of Reference to be reviewed after training sessions.
- Risk Register to be reviewed after training – DCFO and HRM to populate
- Pension Ombudsman could be asked for cases that have been referred over the past 5 years
- Training to be reviewed in November

Resolved that the Board agree the Pension Board Annual Work Plan

6 Scheme Advisory Board Correspondence

The Board was asked to note the following correspondence from the Scheme Advisory Board (SAB):

- Chair's Update Letter November 2016
- Scheme Sub-Group Administration email

The Chair highlighted page 3 of the Update Letter which gave details of the SAB's Work Plan and also asked for volunteers for the SAB's recently established Sub-Committees.

The Board discussed the governance arrangements for Shropshire Fire and Rescue Service. The discussion included the following points

- The Fire Authority is the Scheme Manager, not the Chair of the Pension Board.
- There is a lack of clarity as to how information is communicated to the Scheme Manager.

- The Board concluded that the papers should go to the Fire Authority for information, possibly via a regular performance exception report.
- The suitability of minutes for the audience needs to be considered when putting them into the public arena i.e. on the service website – key question for training session.
- Administration benchmarking would probably be done at a national rather than a local level.

Resolved that the Board note the correspondence from the Scheme Advisory Board

7 OnCall Firefighters' Pension Scheme Update Newsletter

The Board was asked to note the Update Newsletter which had been included to show what communication was being undertaken and who by.

The Board made the following comments in relation to the newsletter:

- The title of the newsletter is confusing. OnCall indicates that it only relates to retained duty system (RDS) employees even though the contents cover wholetime (WT) employees as well.
- Other than that it is a good document.
- Good to see information included about issues around temporary promotions. General information is more widely available now with employees receiving more detailed advice on an individual basis
- Additional Pension Benefits and the issues surrounding them are still not clear. They are relatively significant for many people but are 'invisible' to members

Resolved that the Board note the Update Newsletter

8 Public Service Governance and Administration Survey 2016

The Board was asked to discuss the results of the Public Service Governance and Administration Survey 2016 which was tabled to the meeting. The SPO would provide SCPF's response to this during the following agenda item.

With regard to the key risks set out on page 2 of the document, the Board thought that it would be best to go through these in more detail following the training and use any discussion to populate the Risk Register.

Resolved that the Board note the results of the Public Service Governance and Administration Survey 2016.

10 Pension Update from Shropshire Council

The SPO presented the following items and advised that she was present to assess as the Pensions Administrator rather than to lead discussion around the information that had been sent for consideration.

10a Membership statistics for year 1 April 2016 to 31 March 2017

- Figures are the numbers currently in each scheme
- 'Deferred' are people who have left the Service but who still have benefits in the scheme
- 'Others' may have left the scheme and have not yet decided what to do with their benefits
- In the 2006 scheme, the Modified Scheme number shows the RDS who have joined
- 2006 and 2015 scheme membership is made up of both RDS and WT employees
- 2015 scheme has the biggest membership currently.
- The 1992 and 2006 schemes are estimated to reduce to 0 members in or around 2021/22

10b Task statistics for the period 1 January 2017 to 31 March 2017

- The SPO talked through the process descriptions and explained that i-Connect links straight to the Payroll interface.
- Maximum target is average days and should be realistic / achievable.
- Are targets realistic? Pension Board should tell Pensions Administration what they want to see as targets
- 99 cases between January and March 2017: 66 completed within target, 33 over target. Unsure as to whether this is because the target date is unrealistic or because procedures etc need to be reviewed.

10:40 James Walton left the meeting at this point.

- Processes are listed in alphabetical order in the report but there are different version of the same task due to the different schemes
- Opt outs / i-connect are the biggest delay
- There were concerns about the Opt-Out task which has a low achievement rate. It is possible that the average could have been skewed by one or two cases so this needs to be looked at although officers would not want to rush opt-out cases due to their nature
- Some tasks have a lower priority or are done immediately with paperwork being processed afterwards. This may lead to inaccuracy in targets and there is also the issue of whether it is processes or provision of information that prevent targets being met
- The Board have the ability to drill down into this report and look at the issues that are affecting performance however the Board felt that they wanted more understanding of the processes themselves to allow comparisons to be made. Training session to be set up in relation to this.
- Pensions Contract to be sent to Board Members so they can see expectations of service etc.
- Day to day general enquiries are not logged in these figures but are recorded on a timesheet. Most general queries relate to changes in personal circumstances such as changes to work / divorce etc rather than a lack of information. They tend to be specific queries that HR cannot help with.

TT asked if lone worker pay was pensionable. The SPO explained that lone working is part of main RDS duties and as such should never have been treated as a separate payment. As of 30 April, the lone worker posts ceased being separate and will be included in the main pot with no option to opt out. Communications are going out about this and information is being fed down to individuals via officers. Circa 30 posts are affected but there is no loss or gain for those affected, it is purely an administrative change with members seeing no change to their payslip.

10c Public Service Governance and Administration Survey 2016

The SPO advised that the indicators in red are those that are not being achieved nationally and which need to be addressed.

The SPO talked through indicator 6 – Procedures for assessing and managing risk and referred the Board to the SCPF Risk Register at item 10e on the agenda. The following discussion took place around the Risk Register entries.

Risk No. 3

The SPO is the Systems Team / Technical Lead for Fire pensions and this could be a potential single point of failure. There are two back up roles, including the Senior Pensions Officer for the LGPS who can provide cover if needed so there is no reliance on one person. The Board considered whether this should be included on the Pension Board Risk Register but the HRM advised that the emphasis of the Pension Board's Risk Register is different so possible a high level summary risk relating to a failure of the SCPF could be included.

Risk No. 8

A Service Level Agreement should be in place around this. The data provided and its accuracy can cause potential failures so therefore measures need to be in place to provide an assurance around accuracy. This should be reflected in performance measurement with any delays etc being recorded and feedback to the Pension Board.

Risk No. 11

Shropshire Fire and Rescue Service are responsible for their policies and strategies as SCPF only provides administration of the pension schemes. It does not make decisions regarding pensions etc. Similarly the Pension Team can provide knowledge in relation to pension discretions but not guidance as to what decision should be made.

Referring back to paper 10c and indicator 13 – where data review identified any issues or problems, the SPO reported that monthly posts from i-Connect have made it easier to check and match data on a monthly basis rather than doing it on an annual basis.

With regard to indicator 14 – all annual benefit statements received by statutory deadline; the SPO reported that all Annual Benefit Statements (ABS) had been issued with SCPF being one of the few to achieve this.

Software development has helped with the release of ABSs with online statements being issued which can be printed if needed. Paper copies are only provided if requested. Deferred members can access their ABS through the SCPF website and written communication regarding this has been sent to the addresses held for those members.

The SPO advised that the ABS processes are now set with the biggest learning outcome being the importance of getting data in on time. The SPO reported that i-Connect and the provision of data on a monthly basis has helped with this and the risk related to the issuing of ABSs is reducing.

The DCFO asked if the SPO had any data relating to the number of complaints entering IDRPs. The SPO advised that this data would be received in November and passed to the Assistant Chief Fire Officer and the Head of Human Resources and Administration.

10d Member Self-Serve (MSS) take up statistics

- MSS take up is gradually building up
- MSS article to be included on the Pink every month
- CPD' cannot be seen on MSS as it is a paper calculation. Similarly APB do not show in final salary. The SPO advised that if a quote was requested, APB would be included in a separate line.

ML asked if the cut off for refunds as mentioned in the OnCall newsletter had been done. The SPO advised that the mechanism had been set up for this. The DCFO asked if the cut-off date applied to claiming as well. The SPO undertook to check this.

The DCFO also commented that the title of the newsletter 'OnCall' had specific connotations with relation RDS staff and asked for any suggestions for renaming it so that it is specific to Shropshire.

10e Shropshire County Pension Fund Risk Register

This was discussed at item 10c.

10f Discussion on where guidance is required for making a determination on pensionable pay

The SPO said that the Pensions Team could only advise as to what the regulations say but cannot do more than this. Further advice should be sought from the Local Government Association or any issues referred to Clair Alcock at the SAB.

With regard to pay protection and / or transition enhancement issues such as As and Bs for example, there are two things to consider. Firstly guidance is needed as to whether these are pensionable and secondly, the Authority may need to take a decision on this and face any challenges that arise. The Authority would need evidence to support any decision as to whether or not these were pensionable.

Resolved that the Board note the updates provided by Shropshire Council.

11 Training

- Board Members noted that training will take place on 19 July 2017, This will be delivered by KPMG (Ian Pollitt CBE Associate Consultant Public Sector Pensions) and Eversheds-Sutherland, legal specialists in the public sector arena
- Sessions will include the duties of boards, knowledge and training, advice to scheme managers, what makes an effective board and an introduction to pensions tax
- The cost of the training is in the region of £3,000 and thus has been offered to other regional partners from local fire and rescue services so that the cost will be shared
- In addition training has been offered by the Local Government Association to be held in Leicestershire on 20 September 2017. DCFO Johnson has requested to attend, if any other Board members wish to attend please notify the HRM.

The Board agreed that a standing item on Training will be included on Pension Board agendas going forward.

Resolved that the Board note the Training information given

12 Risk Register

- To be populated after analysis.
- Failure of Contract Administrator to be included on Register

Resolved that the Board note the Risk Register

13 Date of Next Meeting

To be held towards end of November

Meeting closed 12.05 pm

Chair.....

Date.....