

## FIREFIGHTER PENSION SCHEMES MINUTES OF ANNUAL BOARD MEETING 15 DECEMBER 2020 - MICROSOFT TEAMS

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**PRESENT:**                    **EMPLOYER REPRESENTATIVES**  
Councillor Teresa Higgins – Chair  
Councillor Ashley Waters

**EMPLOYEE REPRESENTATIVE**  
Dave Howe – Vice Chair

**IN ATTENDANCE:** Ian Hayton - Scheme Manager  
Beverley Parker - Governance/Training Advisor  
Michelle Richardson - Technical Pensions Advisor  
Paul Mudd - Governance Manager, XPS Pensions Unit

**1. APPOINTMENT OF CHAIR**

Nominations were sought for the position of Chair of the Local Pension Board. Councillor Higgins was subsequently proposed and seconded whereupon nominations were closed.

**RESOLVED – that Councillor Higgins be appointed Chair of the Local Pension Board for the ensuing year.**

**Councillor Higgins in the Chair**

**2. APPOINTMENT OF VICE CHAIR**

The Chair sought nominations for the position of Vice Chair of the Local Pension Board. Mr Dave Howe was subsequently proposed and seconded whereupon nominations were closed.

**RESOLVED – that Mr David Howe be appointed Vice Chair of the Local Pension Board for the ensuing year.**

**3. DECLARATION OF MEMBERS INTERESTS**

It was noted no Declarations of Interests were submitted to the meeting.

**4. MINUTES**

**RESOLVED – that the Minutes of the Local Pension Board Meeting on 27 August 2020 be confirmed.**

## 5. CHAIR'S ANNUAL BUSINESS REPORT TO THE BOARD

The Board considered the Chair's Annual Business Report which covered:

- Membership
- Terms of Reference
- Board Meetings
- Transparency
- Budgets
- Notifications of Interests
- Record Keeping
- Approved guidance notes
- Breaches of the law
- Risk Register
- GDPR
- FPS bulletins
- Training

The Scheme Manager referred to the Membership of the Board and noted there were currently three vacancies: two Employee representatives and one additional Employer Representative following the Board's decision to increase to six voting Members. Dave Howe agreed to contact retirees to fill the immediate Employee Representative role.

### **RESOLVED:-**

- (i) That the report be noted**
- (ii) That a further recruitment campaign be undertaken to seek to fill the Employee Representative Roles.**

## 6. SCHEME MANAGER'S REPORT TO THE BOARD

The Scheme Manager provided the Board with the following updates:

- Terms of Reference – no changes
- Breaches of the Law – none reported
- Cyber Security – no issues
- Annual Work Programme 2020/21
- FPS: Consultation on draft template – FPS Administration, Management and Governance Strategy
- Annual Benefits Statements – deadline had been met
- Annual Statutory Scheme Return
- Firefighters (England) Scheme Advisory Board Levy
- Communications – FPS Bulletins 36-39
- Training & Development
- TPR Governance and Administration Survey 2019
- Public Service Pension Schemes Consultation – Changes to the Transitional Arrangements of the 2015 Scheme Update
- FPS Update

The Scheme Manager referred to the Public Service Pension Schemes Consultation - Changes to the Transitional Arrangements of the 2015 Scheme and reported that the Authority had submitted a response, as detailed at Appendix 6.

**6. SCHEME MANAGERS REPORT TO THE BOARD cont.**

While the deferred choice was deemed preferable from the employees perspective he stressed that this might not be the outcome the Treasury determines and highlighted the following key areas of concerns for the Authority:

- Risk of further claims and legal challenges
- Administrative cost of managing two systems
- Service implications on workforce planning

Mr Howe noted that the FBUs preferred choice was also the deferred option although they have made an official objection to government plans to introduce a new scheme in April 2022 due to limited detail available on the proposed scheme.

The Scheme Manager noted that guidance issued by the Home Office was supposed to support fire authorities through the process. It is currently in the process of issuing further guidance in conjunction with the Treasury to assist authorities to deal with immediate detriment.

Mr Howe noted that scheme members have little trust or confidence in the people who are remedying this situation, with ill-health retirements being most effected.

The Scheme Manager agreed to keep the Board updated on this issue.

**RESOLVED:-**

- (i) That the Scheme Managers Report be noted.**
- (ii) That the Terms of Reference at Appendix 1 be adopted.**
- (iii) That the Annual Work Programme at Appendix 2 be adopted.**
- (iv) That any training requirements be forwarded to Bev Parker.**

**7. RISK REGISTER PROGRESS**

The Board considered the new template for the Risk Register at Appendix 1 which had been reviewed to ensure it is both readable and useable. There were no changes to previously reported risks.

**RESOLVED – That the Board adopt the new template and the Risk Register be considered current and appropriate.**

**8. XPS BUSINESS SERVICES UPDATE**

**Communications**

Mr Mudd provided the following updates:

Bulletin 36

Restriction of exit payments – retained modified members of the scheme will be able to backdate. Number of Scheme Members in Cleveland in this category with membership before 1 July 2020 are very few. XPS will consider government plan for those Members.

Bulletin 37

Uncertainty on how cases should be dealt with when move to statutory guidance – XPS have established a project team to deal with the outcome of consultation and issues for all options have been considered.

**8. XPS BUSINESS SERVICES UPDATE cont.**

Bulletin 39

Emergency legislation is in place to allow recently retired firefighters to return to work to assist the Covid response. This will revert back to original rules once this work is no longer required.

**Quarterly Report**

Mr Mudd gave an update on the 2020/21 Service Delivery Report covering:

- Complaints – nil
- Breaches – nil
- Common data score – 97%
- Conditional Data Score – 84%
- Annual Benefit Statement – submitted by 31 August 2020 deadline
- Pension Savings Statements – available online by 5 October 2020 deadline

He reported that while the Conditional Data score was higher 12 months ago actual data quality had not decreased and the reduced score was due to more rigorous testing of pension specific data.

Member Self Service User Statistics

Mr Mudd reported that less than one third of Scheme Members accessed their details online and XPS was looking at ways to promote this service which provided a tool for considering how various scenarios impact the figures.

Mr Howe confirmed that some of the older Members may need support accessing their details online and asked if a guide / flowchart could be developed to assist this. Michelle Richardson and Mr Mudd agreed to liaise to establish some guidance.

Heywood Assurance

Mr Mudd circulated a document from outlining Information Security and Quality which had been requested by the Board. The Scheme Manager confirmed that he was satisfied with the assurance from Heywood.

The Scheme Manager noted that nationally a number of pension administrators were retracting from the pension market for fire schemes and sought assurance from XPS of their commitment. Mr Mudd confirmed that XPS were in the process of submitting a tender for the new police and fire framework and was currently resourcing across local government, fire and police. It was the company's intention to double staff from 85 – 150 over the next two years with plans to move to a new office in 2021. The Scheme Manager reported that he had highlighted the potential risk of a monopoly situation for fire pension scheme administrators to the Home Office.

**RESOLVED:-**

- (i) that Members noted the XPS Service Delivery 2020/21 Update**
- (ii) That Michelle Richardson and Paul Mudd develop guidance to assist Scheme Members with online access.**

**9. ANY OTHER BUSINESS**

- 9.1** The Chair wished Members of the Board a Merry Christmas and thanked them for their support. Councillors Higgins and Waters passed on thanks to all staff on behalf of the people of Cleveland for their continued outstanding efforts. Mr Howe agreed to pass on the best wishes to colleagues.

**COUNCILLOR TERESA HIGGINS  
CHAIR**