

FIREFIGHTER PENSION SCHEMES MINUTES OF BOARD MEETING 27 AUGUST 2020 – MICROSOFT TEAMS

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

APOLOGIES:

Brian Gibson – Employee Representative

1. WELCOME

The Chair welcomed Councillor Ashley Waters as the new Employer Representative following the resignation of Karen Winter from the Board. She thanked Mrs Winter for her commitment and support. Michelle Richardson was also welcomed to the meeting as Technical Pensions Advisor following the retirement of Diane Snelling.

2. DECLARATION OF MEMBERS INTERESTS

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

3. MINUTES

RESOLVED – that the Minutes of the Local Pension Board Meeting on 12 March 2020 be confirmed.

4. MATTERS ARISING

4.1 Assurances from Haywards

The Chair asked whether Cyber Security assurance had been obtained from Haywards. Paul Mudd reported that this had been confirmed on 27 March 2020.

4.1 Assurances from Haywards cont.

However a final document graphically showing the position of the data and the protocols in place was yet to be received and the XPS Operations Manager was talking with Haywards to obtain this. The Scheme Manager agreed to seek the written assurance and update members at the next meeting.

4.2 Dual Payments

Dave Howe sought an update on the Dual Payment issue previously raised. Michelle Richardson agreed to pick this up outside of the meeting.

RESOLVED –

- (i) That the Scheme Manager update members at the next meeting regarding Haywards written assurance.**
- (ii) That Michelle Richardson update Dave Howe on the dual payment issue.**

5. GOVERNANCE AND ADMINISTRATION

The Board considered the report which covered:

- Terms of Reference
- Breaches of Law
- Annual Work Programme 2019/20
- COVID 19 FPS Governance Survey

Annual Benefit Statements

Mr Mudd confirmed that the progress of the Annual Benefit Statements was on schedule with communications due to be issued that week signposting Members to their online statements.

FPS: Consultation on Draft Template – FPS Administration Management and Governance Strategy

The Board considered the responses outlined by the Scheme Manager to the above consultation questions (Appendix 2, page 3) with no further comment to add prior to submission.

RESOLVED -

- (i) That the report be noted**
- (ii) That the Terms of Reference will be reviewed at the Annual Meeting.**
- (iii) That no Breaches of the Law were reported.**
- (iv) That any additional items for consideration on the Annual Work Programme 2020/21 be forwarded to Bev Parker before the Annual Meeting.**
- (v) That copies were available on request of the Chair and Scheme Managers response to the Covid 19 FPS Governance Survey.**
- (vi) That the deadline for Annual Benefit Statements had been achieved and the ABS 2019 Survey at Appendix 2 be noted.**
- (vii) That the Scheme Manager submit the response to the FPS Consultation on Draft Template – FPS Administration Management and Governance Strategy**

6. COMMUNICATIONS

6.1 FPS Bulletins 29 - 35

The Board discussed the above bulletins which were covered in detail at Appendix 2. No issues were raised.

RESOLVED - That the report be noted.

7. TRAINING & DEVELOPMENT

The Board considered the report and agreed that refreshed training needs analysis forms should be submitted to Mrs Parker and all TPR online training modules to be completed before the Annual Meeting. New members/refresher training to take place immediately before the Annual Meeting. Paper copies of the slides from the recent Local Government Association (LGA) Pension training session in March to be forwarded to Employer Representatives.

Members discussed attendance at the forthcoming Annual Pension Conference which is to take place remotely on 22 September 2020. Mrs Parker to provide further details for those interested.

RESOLVED:-

- (i) That Board Members update their Training Needs Analysis Form and forward to Bev Parker before the Annual Meeting for inclusion in the 2020/21 Training Plan. TPR Online training modules should also be completed.**
- (ii) That Board Members wishing to attend the remote Annual Pension Conference on September 22 should contact Bev Parker for joining details.**
- (iii) That Bev Parker to forward a copy of the LGA Pension training slides to the Employer Representatives.**

8. PROGRESS OF RISK REGISTER

The Board considered the Risk Register at Appendix 1 which had been reviewed by the Scheme Manager and Chair in consultation with XPS in light of COVID-19. No additional risks were identified. Mr Howe suggested a potential increase in risk following a change in membership.

RESOLVED – That the Board considered the Risk Register to be current and appropriate.

9. FIREFIGHTER PENSION SCHEMES UPDATE

The Scheme Manager provided the Board with a detailed update on the current consultation on Public Service Pension Schemes: Changes to Transitional Arrangements to the 2015 scheme, which runs until 11 October 2020. He noted that as Scheme Manager he was developing a response to the consultation on behalf of the Authority which would be considered by the Executive Committee on 25 September and shared with all elected Members to approve the submission.

The Scheme Manager noted the importance of having the views of this Board and asked that they be forwarded to him via the Chair to be built into the CFA response.

9. FIREFIGHTER PENSION SCHEMES UPDATE CONT.

The Scheme Manager also highlighted the need for consideration to be given to those who will be retiring before the legislation is passed who may suffer an immediate detriment. On a national level the National Fire Chiefs Council (NFCC) for Pensions was working with the Home Office and LGA to seek a solution for this interim period to ensure no employee is leaving with a detriment. He emphasised that any interim measures taken by the Authority before the legislation comes into force would leave them liable.

Councillor Waters asked if the recommendations were known. The Scheme Manager reported that the Home Office had produced a draft guidance note and was currently working with pension specialists at the LGA to produce a National Employers Circular which would give the Authority the security to act on that guidance and remove that element of liability.

Councillor Waters asked what the Fire Brigades Union (FBU) position was. The Scheme Manager confirmed the FBU national body lead on pensions reported that of those in the 1992 Final Salary Scheme, approximately 85 percent would want to be put back into that scheme. Of those in the 2006 Scheme, approximately 85 percent would want to be put back into the 2015 Scheme. Mr Howe supported this view and confirmed that nationally the FBU aim was to achieve as clean a transition as possible. However, he noted that the consultation guidance from the Government was unclear and if the FBU does not agree with the remedy further negotiations may be required, which is an emerging risk.

The Scheme Manager noted the extremely complex nature of this issue and the potential need for XPS to produce multiple Annual Statements for those who have not chosen a scheme. This additional burden on the administrators would come at a cost for the Authority.

Mr Howe asked what advice was available for firefighters to access to support their decision making. Cllr Waters asked what the Authority could do to support the firefighters. The Scheme Manager noted that all stakeholders were consulted on the potential remedy and the implications are now subject to the consultation, the outcomes of which will be the solution that the Government decides. If they advocate a standpoint that Members consider to be detrimental to firefighters then the avenue is the Authority via local MPs. The Scheme Manager suggested creating a forum of FAQs for firefighters to access.

Mr Mudd confirmed that XPS would be providing a response to the consultation document from an administrators perspective and noted that XPS's technical manager had arranged a meeting with the LGA and Home Office to discuss the issue of 'immediate detriment' which had been raised earlier that week. A briefing would be submitted to the Brigade confirming that XPS was doing everything it could to provide assurances in terms of website updates and communications to make the position as clear as possible for the scheme member as to how this is going to be remedied.

RESOLVED –

- (i) That all views on the Pension Scheme Consultation be forwarded to the Scheme Manager.**
- (ii) That a FAQ page be established for scheme members to access.**

10. XPS SERVICE DELIVERY REPORT 2019/20

Mr Mudd gave a verbal update on the 2019/20 Service Delivery Report and agreed to forward copies to Board members after the meeting. He highlighted the following issues:

- 1 potential complaint had been received from a former scheme member who had left the Brigade before the new scheme was in force, claiming that they had been seriously disadvantaged and their life had been impacted. Mr Mudd suggested that if a claim was to be made neither the Brigade nor XPS would be liable as this had been a Government decision. XPS responded to the initial request for information and concluded this did not constitute a formal complaint.
- A Common Data Score of 98.2% was recorded for accuracy which was acceptable to the regulator – data failure from 15 deferred Member addresses currently not known. Talks underway with Present Research about using a third party to locate addresses for a low cost without a minimum fee. XPS to report back on this.
- Achieved 100% achievement on Service Delivery charts.
- National Insurance Number checks were 99.94% correct – legitimate fails on common data items are difficult to resolve.
- Conditional Data Score – reportable to TPS. No update since last meeting as this is an office based exercise. Will progress once Pension Savings Statements project deadline reached on 5 October.

Mr Mudd confirmed that communications to Scheme Members regarding Annual Benefit Statements would be sent that day and the deadline for Pension Savings Statements was 5 October 2020.

XPS is participating in Pension Challenge meetings with the Government and LGA on the pension remedy and was disappointed at not finding out about the immediate detriment correspondence issued earlier that week. He confirmed that XPS would not be acting without a sufficient legislative framework in place as this posed too many risks by putting liability on the administrators and the Authority.

RESOLVED:-

- (i) **that Members noted the XPS Service Delivery 2019/20 Verbal Update 2019/20.**
- (ii) **That Paul Mudd forwards copies of the XPS Service Delivery 2019/20 Report to Board Members.**

11. ANY OTHER BUSINESS

11.1 Appointment of New Chair - Firefighters' Pension Scheme Advisory Board

The Scheme Manager informed the Board that Joanne Livingstone had been appointed as the new Chair of the Scheme Advisory Board following the recent retirement of ex-Chief Fire Officer Malcolm Eastwood.

COUNCILLOR TERESA HIGGINS
CHAIR