AGENDA ITEM 6

LOCAL PENSION BOARD
FIREFIGHTER PENSION SCHEMES

DATE: 20 NOVEMBER 2019

TITLE: ANNUAL BUSINESS REPORT

REPORT OF: CHAIR OF THE BOARD

For Information

1. PURPOSE

1.1 To report on the Boards activities from September 2018 to August 2019.

2. RECOMMENDATION

2.1 That the Board consider the effectiveness and efficiency of the Boards governance and administrative arrangements.

3. BACKGROUND

3.1 The Public Service Pensions Act 2013 introduced a framework for the governance and administration of public service pension schemes, including those pension schemes for fire and rescue workers. The Act included the requirement for a Local Pension Board to be established by each responsible Authority.

3.2 On 27 March 2015, the Authority established a Local Pension Board in respect of the firefighter pension schemes, in accordance with the requirements of the Public Services Pensions Act 2013 (the Act). This Board is known as the CFA Local Pension Board Firefighter Pension Schemes. The CFA has delegated the Administering Authority to the Scheme Manager (Chief Fire Officer).

3.3 The purpose of the Local Firefighter Pension Board is to assist the Scheme Manager of the schemes to:

- Ensure the effective and efficient governance and administration of the Scheme
- Provide the Scheme Manager with such information as they require ensuring that any member of the Pension Board or person to be appointed to the Board does not have a conflict of interest.

4. MEMBERSHIP

4.1 The Board consists of 4 voting members with equal number of employer and scheme member representatives. Mr Kelly resigned from the Board in November 2018 and Mr Brian Gibson (a retired firefighter) has been appointed as an Employee representative. The Board representatives are as follows:

Employer Representative 1	COUNCILLOR TERESA HIGGINS
Employer Representative 2	MRS KAREN WINTER
Employee Representative 1	MR DAVID HOWE
Employee Representative 2	MR BRIAN GIBSON

Also in attendance at Board meetings are:

Scheme Manager - Chief Fire Officer, Ian Hayton
Technical Pension Advisor - Diane Snelling
Governance/Training Advisor - Beverley Parker
XPS Business Services - Paul Mudd

5. GOVERNANCE AND ADMINISTRATION

5.1 **Terms of Reference**
The Board refresh the terms of reference on an annual basis to ensure they are still current and relevant.

The principle remit of the Board is to assist the Scheme Manager in the efficient and effective governance and administration of the Pension Schemes through:

1. the provision of advice in line with the primary core function in securing compliance with the regulations, and all other legislation relating to the governance and administration of the Scheme, and those requirements imposed by the Pensions Regulator.

2. the secure compliance with Regulations, any other legislation relating to the governance and administration of the Scheme and requirements imposed by the Pension Regulator in relation to the Scheme.

Under the Regulations the Scheme Manager can determine the appointment of other Local Pension Board Members, ie members who are not there to represent employers or scheme members.

5.2 **Board Meetings**

The Board meets in an advisory capacity and has no delegated powers. The Board discharges its duties and responsibilities effectively and also hold regular training sessions. There is also the provision for additional meetings to be convened on notice. The quoracy of the Board is one employer and one employee. Minutes are taken at all meetings and once approved are displayed on the website. No public have attended the meetings to date.

The Board were scheduled to meet on the following occasions:

12 September 2018 – LPB annual meeting
27 February 2019 – Training Workshop
27 February 2019 – LPB meeting
17 April 2019 – LPB Meeting – cancelled

The current Chair is a representative from the Employer side and was appointed by the Board at the 2018 Annual meeting.

Substitutions are not allowed due to the nature of the Board as the supervisory body and the need for appropriate knowledge and skills and the management of conflict of interests.

5.3 **Transparency**

All Board meeting agenda and reports are published on the website and will be kept electronically for 7 years (excludes information under Section 100(A) (4) of the Local Government Act.

Information on the LPB can be found on the Brigade website at https://www.clevelandfire.gov.uk/about/fire-authority-2/

5.4 **Budgets**

A budget of £500 has been established to undertake any training requirements the Board may have to enable them to fulfil their role.

Under the terms of the 2014 regulations [4H(2)] the Authority continue to pay a levy to the Scheme Advisory Board (SAB) to cover the cost of the National Fire Pensions Advisors posts and the work of the SAB.

5.5 **Notification of Interests**

All members of the Board have completed a Notification of Interest Form to which the Scheme Manager and Legal Adviser and Monitoring Officer have concluded that there are no current conflicts of interest. Declarations of Interest are a standing agenda item. All Notifications of Interest Forms are refreshed annually.

5.6 **Record Keeping**

Records are kept for:

- Records relating to any pension board meeting
- Records relating to any other decision/recommendations made by the board whilst carrying out their role as pension board members
- Records relating to any decision made by a committee or sub-committee of the pension board not ratified by the pension board
- Training logs which are maintained by the Training Advisor for all LPB members
- Any Breaches or potential breaches of the law

5.7 **Approved Guidance Notes**

The Board have adopted the following Guidance Notes:

Guidance Note 1 – Conflicts of Interest and Representation
Guidance Note 2 – Knowledge and understanding required by Board members
Guidance Note 3 – Administration
Guidance Note 4 – Role of Local Pension Board Members
Guidance Note 5 – Breaches of the Law

5.8 **Breaches of the Law**

In April 2018, the Board adopted Guidance Note 5 and established a register to record details of all breaches and also areas of concern that have been considered and not felt to be a breach. Breaches of the Law is a standing agenda item.

5.9 **Risk Register**

A risk register has been established, the progress of which is a standing agenda item.

5.10 **GDPR**

The Board have received training on the implications of GDPR and have issued a Full Privacy Notice which is displayed on the website.

5.11 **FPS Bulletins**

Bulletins are sent to board members on a monthly basis.

6 TRAINING

The members of the Board are required to achieve and maintain knowledge and understanding of pensions and this requirement is managed and monitored by the Scheme Manager.

The training of Board members is largely carried out in house by XPS Pension Services and Brigade Officers with members and officers attending LGA training whenever possible. The presentations from these training events are shared with the Board.

The Board have attended training workshops based on The Pension Regulator areas of

- Conflicts of Interest
- Managing risks and internal control
- Maintaining accurate member data
- Maintaining member contributions
- Providing information to members and others
- Resolving internal disputes
- Reporting breaches of the law

The majority of Board Members are now nearing completion of the TPR e learning modules and a new Member induction has also been undertaken with further training planned throughout the year.

COUNCILLOR TERESA HIGGINS
CHAIR