

AT A MEETING of the HFRA Hampshire Firefighters' Pension Board held at
Redbridge Fire Station, Southampton on Thursday, 5th July, 2018

Chairman:
* Stew Adamson

- * Malcolm Eastwood
- * Richard North
Councillor Roger Price
- * Alex Rhodes
- * Tom Simms

*Present

Also present with the agreement of the Chairman:

Jo Thistlewood, Technical Finance Manager, Isle of Wight Council

25. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Roger Price.

26. ELECTION OF CHAIRMAN

The Clerk called for nominations for a Chairman, noting the requirements of the Firefighters' Pension Board Terms of Reference. Stew Adamson was nominated, seconded and in the absence of any further nominations duly appointed Chairman of the Pension Board until the first meeting of the Board following the Annual meeting of the Fire Authority in 2019.

27. ELECTION OF VICE-CHAIRMAN

The Clerk called for nominations for a Vice-Chairman, noting the requirements of the Firefighters' Pension Board Terms of Reference. Richard North was nominated, seconded and in the absence of any further nominations duly appointed Vice-Chairman of the Pension Board until the first meeting of the Board following the Annual meeting of the Fire Authority in 2019.

28. DECLARATIONS OF INTEREST

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other personal interests in any such matter that they might have wished to disclose.

There were no declarations of interest received for the meeting.

29. **MINUTES OF PREVIOUS MEETING**

The minutes of the last meeting were reviewed and agreed.

Under matters arising, the Chairman announced to Members of the Board that the Home Office conveyed their gratitude for their recent visit. The Chairman invited other Board Members to inform the Board of any announcements, and it was heard that a higher level tax awareness seminar would take place at the end of the year. In relation to the Dashboard project, it was noted that whilst there was some issues with data, the aim was for project completion by 2019.

The Board were also informed that a pension weblink which would direct employees to the pensions website had been added to the homepage of the HFRS website.

30. **DEPUTATIONS**

There were no deputations on this occasion.

31. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman thanked the Board for electing him as Chairman for another year, and he also welcomed Jo Thistlewood, Technical Finance Manager from the Isle of Wight Council to the meeting as an observer.

32. **LEGISLATIVE CHANGES**

In relation to Item 8 on the agenda, the Chairman explained that it would be useful to include Legislative Changes as a verbal standing agenda item going forward, and welcomed Board Members thoughts. Having this as a standing agenda item would enable Board Members to be kept up to date with relevant legislative changes. Members agreed this would be a useful addition to agendas going forward.

Officers informed Members of the Board that whilst there weren't any new legislative changes to report at this meeting, the outcome of the Brewster and Walker legislation would be known soon. It was also heard that horizon scanning at the pension employer groups was important in identifying changes to legislation. Officers would also notify colleagues at the Isle of Wight of any new legislative changes.

33. **DATA ISSUES**

In relation to Item 9 on the agenda, the Chairman asked Members views on whether it would be useful to include a verbal update item on data issues as a standing agenda item for future meetings.

It was noted that The Pension Regulator would be examining data quality in the future and Officers explained that they would be acquiring relevant software to enable deeper analysis of pension data. A discussion ensued around data

checking, and the importance of ensuring data issues were picked up in a timely manner.

Members of the Board agreed that data issues would be a useful discussion item to include on future agendas.

34. COMMUNICATIONS

In relation to Item 10 on the agenda, the Chairman asked Board Members views on whether it would be useful to include a verbal update item on Communications as a standing agenda item for future meetings. It was heard that there had been an increase in communications due to the redesign of the pension website, a pension pre-retirement course and visits to various watches to present on pension issues. Members of the Board discussed whether there would be merit in re-designing the pre-retirement course as a financial planning course, and offering this at an earlier stage in employees careers, and this would be examined further.

Members of the Board agreed that it would be informative to include a Communications item on future meeting agendas, and to explore options for a financial planning course, which could address issues such as opting out of the pension scheme.

35. RISK REGISTER

The Pension Board received a report of the Chief Finance Officer (Item 11 in the Minute Book) which set out the Risk Register for Fire Pensions for the Board to review.

The Board were content with the Risk Register and no amendments were made.

RESOLVED:

That the Firefighters' Pension Board note the Risk Register as attached at Appendix A to the Report.

36. FIRE PENSION BOARD ANNUAL REPORT (2017/18)

The Pension Board received a report from the Chief Finance Officer (Item 12 in the Minute Book) setting out the Fire Pension Board Annual report for 2017/18, which would be submitted to the next meeting of the HFRA Standards and Governance Committee.

Officers took Board Members through the report and highlighted the breadth of work which had been undertaken during 2017/18. It was noted that Officers continued to regularly attend pension seminars which had proven to be very beneficial and informative and contributed greatly to the effectiveness of the Board. Members of the Board wished to draw the Standards and Governance Committee's attention to the appropriate investment which had been made, and the progress within pensions during the year 2017/18. It was noted that this

would be included in the conclusion in the report to the Standards and Governance Committee.

A discussion around the issue of opt outs ensued and Board Members noted that the spike in opt out figures for 2016/17 had been mainly attributed to temporary or fixed term contracts. Members of the Board noted the work that had been undertaken during 2017/18 to engage with Firefighters who were not in the Fire Pension Scheme. It was heard that Officers would report back on the outcome of this at a future meeting, and also provide an update as to whether the figure had reduced as a result of engagement.

RESOLVED:

- a) That information relating to appropriate investment and progress made in relation to pensions during 2017/18 would be included in the conclusion to the report.
- b) That the annual report is agreed for submission to the Standards and Governance.

37. **FIRE PENSION BOARD STATUS REPORT**

The Board received a report from the Chief Finance Officer (Item 13 in the Minute Book) regarding ongoing issues.

The report was introduced and Officers led Board Members through the report highlighting the development of key issues. In relation to discussions at a previous meeting of the Board relating to the lost contact of deferred pension members, Board Members heard that a tracing company was used to find such members. It was also noted that ultimately it was the responsibility of deferred members to inform of changes to personal and contact details.

The position regarding employee and employer pension contributions was set out, and it was noted that pension contributions would only be refunded to a member of the 2015 scheme that had less than three months membership. The position was also set out in relation to injury pension reviews as set out in paragraphs 12-14 of the report, and Board Members were asked to consider if they were content with this approach. A discussion ensued around the legalities of what to include in the letter to retired firefighters who have had an injury award within a 3-5 year window after retirement. It was noted that further investigation into ill health circumstances could only be undertaken if evidence arose, and also with appropriate legal advice. Board Members were content with the approach that if there was no engagement from the retired firefighter then the process would end and no further action would be taken. It was heard that the HR department were currently working on the letter.

The position with General Data Protection Regulations and member online access was explained. In terms of the member online access, it was hoped that the new system would be implemented by December, and communication around this would be sent out nearer the time. The system was seen to benefit members by enabling them to view annual benefit statements and also the ability to do their own estimate calculations.

Members of the Board discussed proposals for the new Life Time Allowance factsheet, which was seen as providing a useful tool and it was proposed that this would be published on the employer pension web pages. In response to questions it was heard a disclaimer would be included and there would also be timely communications to promote the publication of the factsheet. Members of the Board were content with the proposed approach.

In relation to scheme reconciliation, it was explained that this was on track to be completed by the deadline of December 2018. Officers explained that a pilot programme had been undertaken at the start of the process and there were a small number of enquiries received. An update would be provided at a future meeting of the Board.

Information relating to the consultation on regulation changes was explained to the Board and it was noted that the Fire Employer Group played an important role in ensuring that legislative changes were informed to the relevant parties, so important legislative changes weren't missed. Officers would ensure that colleagues at the Isle of Wight Council were informed of any changes to legislation.

In relation to Additional Pension Benefits and Temporary Promotions, it was noted that some work had been undertaken to further establish the benefits of additional pension benefit as a result of a temporary promotion. It was heard that discussions with other Fire and Rescue Authorities, Fire Representative Bodies and Unions had been held to gather views on whether temporary promotions for those in the 1992 and 2006 pension schemes, should remain pensionable. Board Members were taken through the figures as detailed in paragraphs 33-34 of the report and these were explained. Following discussions, the Board were content to endorse the decision to keep temporary promotions pensionable.

Members of the Board were updated on the position around the Internal Dispute Resolution Procedure (IDRP), and it was explained the IDRP was formed of two stages, but it was believed that this was not a legal requirement. Board Members views were therefore invited as to whether the IDRP procedure should be formed of a single stage. Officers explained that it was rare for a complaint to be overturned at Stage two, and Members of the Board requested further clarification as to whether the two stage process was a legal requirement or whether a one stage process could be applied locally. Officers would examine this further and update Board Members at a future meeting.

Board Members attention was drawn to the recent success of Hampshire Pension Services in taking over the pension administration for West Sussex County Council, and also their fire pensions. Members of the Board congratulated officers for their work in achieving this. It was heard that the results of the TPR Administration Scheme survey had been presented at the recent Police and Fire Local Pension Board Governance Conference, and Members of the Board discussed various governance aspects which had been raised at the conference. Board Members were content to review at a future time whether they wished to invite the TPR to attend a future meeting. Whilst it was noted that ideally Pension Board meetings should be held four times a year,

it was felt that there was merit in continuing to hold these three times a year, which ensured that Board Members were well informed of pension issues. Board Members discussed the value of pension boards and felt that it was useful to have this governance structure in place, and Officers also valued the Board's scrutiny. It was agreed that communication of information to pension members was making good progress, and this would continue. It was noted that a great deal of work had been done in relation to IT and the Pension Regulation website, and the importance of training for Pension Board Members was also highlighted and it was noted that training was usually based around local issues. The amount of work generated by The Pension Regulator was also raised as a key issue for Pension Boards. Board Members agreed that it would be useful to have a further discussion about the effectiveness of the Pension Board at a future meeting.

It was heard that there had been a great deal of work undertaken to raise awareness of the fire pension scheme, and the table at paragraph 62 of the report showed the number of views to the employer pension scheme pages, which was useful in monitoring the effectiveness of communication.

RESOLVED:

- a) That the Board approve the approach to injury pension reviews as set out in paragraphs 12-14 of the report.
- b) That the Board endorse the Life time allowance factsheet as set out in paragraphs 20-22 and APPENDIX C of the report.
- c) That the Board endorse the decision to keep temporary promotions in the 1992 and 2006 schemes pensionable as set out in paragraphs 26-35 and APPENDIX E and F of the report.
- d) That the Board note the approach and information contained in the report at APPENDIX H.

Chairman,