



Purpose: Noted

Date **8 January 2019**

Title **FIRE PENSION BOARD STATUS REPORT**

Report of Chief Finance Officer

SUMMARY

1. This report provides an update on the development of key items.
2. This report, together with attachments, provides the framework for this meeting agenda.

WORK PLAN

3. At the last Board meeting, the chairman presented a plan for future meetings. With this in mind, there are naturally some items which will fall into different parts of the year and can be reported on accordingly.
4. Each Pension Board Status Report will contain standing items and any additional items. Depending on the timing of meetings, this may alter when these items can be reported.
5. There will also be a legislation and LGA update report for each meeting. This will include all the FPS bulletins issued by the LGA, any other communications that they have issued along with any legislation updates.
6. The key headings for each report for each meeting are shown in APPENDIX A. The Board are asked for their views on this and whether there are other subject matters that they would like included.

TRAINING

7. Pension Board members will be required to complete an updated Training Needs Analysis form. An email will be sent out later in January with the form for completion. This will enable any training needs to be identified which can then be addressed.
8. Board members will remember discussing the online training modules with the TPR in the education portal at the last Board meeting. All Board Members

are expected to complete their online training with the TPR. This can be found at [TPR - Public Service toolkit programme](#).

9. The TPR pensions education portal has online training containing seven topics, each topic takes around 30 minutes to complete; the topics are:
 - Conflicts of interest
 - Managing risk and controls
 - Maintaining accurate member data
 - Maintaining member contributions
 - Providing information to members and others
 - Resolving internal disputes
 - Reporting breaches of law
10. Once all modules are complete, a certificate is available and this should be submitted for inclusion in the Board Member's training record.

STATUTORY REPORTING

11. The Board should note that since the last Pension Board meeting there have been no statutory reporting events. In future Pension Board Status Reports, this heading will only appear where there is something to report to Board.

INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP's) AND BREACHES

12. The Board will be pleased to note that there have been no IDRP's raised since the last meeting and there have been no breaches to be considered reporting to TPR. In future Pension Board Status Reports, this heading will only appear where there is something to report to Board.
13. The process for receipt of IDRP's has now been clearly defined. The process can be seen in APPENDIX B. This now means that there is one single route for any IDRP to go through.
14. Prior to the introduction of this process, there was no central log of IDRP's and it was very difficult to identify how many cases had occurred. The revised process now enables a central log of all IDRPs across all schemes and partners to be recorded. This will help to ensure that any common themes are being identified and addressed.
15. This process has now also specified the relevant Accountable Manager that will hear any IDRP raised. The list of Accountable Managers can be found in APPENDIX C.

COMMUNICATION

16. The Employer Pension Manager gave a presentation on the pre-retirement course on 14 November; the next one is on 27 February.
17. She has also given a pension presentation at Southsea Fire Station on 6 December. There are no further presentations scheduled. There has been a lot of positive feedback from these sessions.
18. Reports for the number of page views on the employer pension web pages are produced monthly. These show that the communications we are putting out are reaching some as there are peaks at those times.
19. The table below shows the page views expressed as a percentage of employees, for comparison, the Police and Local Government Pension Schemes (LGPS) pages have been included.

Employer pension scheme pages	Oct 2018	Nov 2018
HFRA - Fire Pension Scheme pages	10%	11%
HFRA – LGPS pages	13%	13%
Hampshire Constabulary – Police Pension pages	3%	2%
Hampshire Constabulary – LGPS pages	2%	2%
Hampshire County Council – LGPS pages	1%	1%

20. The Fire Employer pension web pages survey was launched in November but there has been a very poor response rate. The Board are asked to consider whether they would like the survey to be sent as a global email to all HFRS staff to try and encourage a higher response rate.
21. The Board will be pleased to note that the Employer Pension Manager has been appointed permanently to her position; therefore the support that is provided to the Pension Board, the Scheme Manager and members of the scheme will continue.

INJURY PENSIONS AND DWP BENEFITS

22. The Employer Pension Manager wrote to the 89 pensioners in receipt of an injury pension from HFRA on 7 November 2018. The letter asked each member to confirm whether they were in receipt of any relevant additional benefits from the DWP.
23. There has been a really high response rate with 62 replies. All replies have been acknowledged. Where there is a discrepancy in the amount that is already being deducted, or no deductions are being made, letters have been sent to DWP for clarification of the relevant amounts and dates. A summary of the numbers is shown below.

Number of letters sent	89
Number of replies received	62
Of the replies received	
Number not in receipt of DWP benefits	49
Number in receipt of DWP benefits	13
Of those in receipt of DWP benefits	
Number already have correct amount deducted from injury pension	8
Number that have been queried with the DWP	5

24. Where queries have been sent to the DWP, upon confirmation of the relevant amounts and dates, this may mean that a recalculation of the injury pension in payment will be required. This could result in an underpayment or overpayment depending on the replies received.
25. Any overpayments will be recovered and a mutually convenient repayment plan will be arranged. Any underpayments will be made as soon as possible.
26. Where no responses have been received (27 so far), the Employer Pension Manager will write to those members in January 2019 with a more firmly worded letter stating that the injury pension may be suspended if the relevant information is not provided.

TPR ANNUAL SCHEME RETURNS

27. The Employer Pension Manager completed the annual TPR Scheme Returns by the deadline of 6 November 2018. This survey requires information to be submitted about scheme membership numbers, details of the scheme manager, Fire Pension Board members, details of the administrator and other relevant contact details.
28. As at 31 March 2018, the scheme numbers reported to the TPR are as follows:

Member status	1992 Scheme	2006 Scheme	2015 Scheme	Total
Active	151	87	931	1,169
Deferred	85	460	270	815
Pensioner	954	100	3	1,057
Total	1,190	647	1,204	3,041

29. The Board may recall from the last meeting that TPR were also going to be asking about the measuring of common and conditional data. Data for all three schemes was last measured in October 2018 by Hampshire Pension

Services and they assessed the percentage of data to be present and accurate as follows:

Type of data	1992 Scheme	2006 Scheme	2015 Scheme
Common Data	97%	95%	99%
Scheme Specific (conditional) data	99%	98%	97%

30. Where the data is not 100%, Hampshire Pension Services will work on a plan to improve this data.
31. The scoring for the scheme specific (conditional) data has been compiled by Hampshire Pension Services from a variety of reports as there is no agreement of what data to measure as there is for common data.

SCAPE DISCOUNT RATE – EMPLOYER CONTRIBUTIONS

32. Changes to the SCAPE discount rate were formalised in the budget on 29 October, reducing the rate from 2.8% to 2.4%. This means that from April 2019 there will be an increase in employer pension contributions.
33. The Government has now confirmed that for 2019/20 they will be providing £98.5m of specific grant funding to support FRAs in England with the unexpected increase. HFRA will be receiving £2.9m to cover it's additional costs.
34. The letter from the Government confirming the position can be found in APPENDIX D.

SURVEYS

35. The Employer Pension Manager completed the annual TPR Administration survey for the 2015 Fire Pension Scheme by the deadline of 30 November 2018. To be able to complete this accurately, the Employer Pension Manager consulted with the Scheme Manager, The Pension Board chair and vice-chair, Hampshire Pension Services and other representatives.
36. The survey and the answers provided can be found in APPENDIX E.
37. The Board will recall from the last meeting that AON were going to be issuing a survey to Scheme Administrators and Scheme Employers to ascertain various information so that a benchmarking exercise can be completed.
38. The Employer Pension Manager was sent the administration survey and the Scheme Manager was sent the employer survey; both were completed and submitted by the deadline of 31 December 2018.

FORECASTING WORKSHOP

39. The Employer Pension Manager was asked by the LGA to participate in a forecasting workshop along with representatives from a few other FRA's. Hampshire has a very robust and accurate way of forecasting and it is hoped that best practice can be shared to improve the forecasting nationally.
40. The first workshop was held at LGA offices on 13 December. The Employer Pension Manager attended from a Pension Administrator point of view along with a member of the Hampshire finance team who is instrumental in providing the forecasting information to the Home Office.

RECOMMENDATION

41. The Board are asked to endorse the work plan of items as set out in paragraphs 3-6 and APPENDIX A.
42. The Board are asked to endorse the approach of sending the Employer Web survey via email as set out in paragraph 20.

APPENDICES ATTACHED

43. APPENDIX A – Calendar of work plan items
44. APPENDIX B – IDRP received process
45. APPENDIX C – IDRP Accountable Officers
46. APPENDIX D – Letter from Government about funding
47. APPENDIX E – TPR Admin survey

Contact:

Claire Neale, Employer Pension Manager, claire.neale@hants.gov.uk,
01962 845481