

For Publication

Bedfordshire Fire and Rescue Authority
28 March 2019
Item No. 11

REPORT AUTHOR(S): TEMPORARY ASSISTANT CHIEF OFFICER GAVIN CHAMBERS

SUBJECT: FIREFIGHTER PENSION SCHEMES LOCAL PENSION BOARD REPORT 2018/19

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Background Papers: FRA report on Pension Boards in March 2019

Implications (tick ✓):

LEGAL		FINANCIAL	
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
CORPORATE RISK	Known	OTHER (please specify)	
	New	CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE:

Annual Report

This is the first Annual Report of the Bedfordshire Fire and Rescue Authority Local Pension Board (the Board), covering the period from 1 April 2018 until 31 March 2019.

RECOMMENDATION:

For the Fire and Rescue Authority to consider the report and the progress made by the Local Pension Board.

1. Roles and Functions

- 1.1 The Board has been established as the Local Pension Board for Bedfordshire Fire and Rescue Authority in accordance with section 5 of the Public Service Pension Act 2013 and the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015.
- 1.2 The remit of the Board includes assisting the Chief Fire Officer, having delegated responsibilities from the Fire and Rescue Authority, as Scheme Manager:
 - to secure compliance with the Firefighter Pension Schemes (the schemes) regulations and any other legislation relating to governance and administration of the schemes;
 - to secure compliance with requirements imposed in relation to the schemes by the Pension Regulator.
- 1.3 The establishment of the Board was approved by the Fire and Rescue Authority on 31 March 2015. The papers detailing the establishment of the Board (including the full Terms of Reference) can be found via the website link below, agenda item 12:

<https://bedsfireresauth.moderngov.co.uk/CeListDocuments.aspx?Committeeld=134&MeetingId=265&DF=31%2f03%2f2015&Ver=2>

2. Membership of the Board

- 2.1 With effect from 1 April 2015, the Pension Board has had two employer representatives and two employee representatives. Since this date, the Chair has been Gavin Chambers, Temporary Assistant Chief Officer.
- 2.2 All employees can raise matters to the HR Operations Manager for inclusion on the Board agenda should this be appropriate.
- 2.3 The Board's membership is and over 2018/19 was as follows:-
- Employer representatives:
Andy Peckham, Head of Service Development and Assurance
Gary Jeffery, Head of Response
 - Employee representatives:
Pat Sherry (retired, pension member)
Clare Beasley, Crew Manager (and Fire Brigades Union Pensions Rep)
- 2.4 Each meeting is attended and supported by Sally Green, HR Operations Manager and acting Scheme Manager. Meetings are also attended by Neil Lewins, from the Service's Pension Administrators LPP.

3. Conflicts of interest

- 3.1 The Public Service Pensions Act 2013 requires that a member of a Pension Board does not have a conflict of interest. A conflict is defined as "a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Pension Board." The Act is clear that actual membership of one of the Firefighter Pension Schemes is not in itself a conflict of interest, so would not preclude a scheme member from serving on the Board.

- 3.2 The Board has a policy for the management of potential conflicts in order to ensure that they do not become actual conflicts and all members of the Board are familiar with this policy. In addition conflicts of interest is a standing item on all Board agendas and any interests noted by members are recorded so that action can be taken to exclude the conflicted individual from proceedings where necessary.

As well as the above policy, the Board also has in place:

- A Risk Register and Risk Management Policy
- Procedure for Reporting Breaches of Law
- Communications Policy
- Governance Compliance Statement and Policy
- Code of Conduct
- Declarations of Interest of form

- 3.3 These are all detailed on the publicly available website and include minutes and other relevant information. The relevant page can be found at:

<https://www.bedsfire.gov.uk/About/BFRS-Pensions.aspx>

4. Local Pension Board Member Training

- 4.1 The Public Service Pensions Act 2013 requires that members of local Pension Boards have an appropriate level of knowledge and understanding in order to carry out their role. Any individual appointed to a local Pension Board must be conversant with:

- The regulations of the Firefighter Pension Schemes, including historical regulations and transitional provisions, to the extent that they still affect members;
- and any document recording policy about the administration of the Firefighter Pension Schemes.

4.2 Board members must also have knowledge and understanding of:

- the law relating to pensions,
- and such other matters as may be prescribed in other legislation.

4.3 The degree of knowledge and understanding required by local Pension Board members is that appropriate for the purposes of enabling the individual properly to exercise the functions of a member of the Local Pension Board.

5. Degree of Knowledge and Understanding

5.1 Members of the local Pension Board are expected to be conversant with the rules and policies of the Firefighter Pension Schemes. “Being conversant with” implies a working knowledge of what is relevant to the subject under discussion. A Board member should have an understanding of what is relevant to their role and be able to identify and challenge a failure to comply with:

- the Firefighter Pension Scheme regulations;
- other legislation relating to the governance and administration of the scheme;
- requirements imposed by the Pensions Regulator;
- and any failure to meet the standards and expectations set out in any relevant code of practice issued by the Pensions Regulator

6. Areas of Knowledge and Understanding

6.1 The areas in which the Board would be expected to be conversant include, but are not limited to:

- Scheme approved policies (e.g. managing conflicts of interest, reporting breaches of the law or record keeping);
- Risk assessment and management;

- Scheme booklets and other members communications;
- The role of Local Pension Board Members and the scheme manager;
- Policies in relation to the exercise of discretions;
- Communications with scheme members and employers;
- Key policy documents on administration.

7. Training Strategy and Policy

7.1 The Pension Board has a Training Policy, which sets out how members of the Local Pension Board will acquire the knowledge and skills necessary to carry out their functions.

7.2 The approach of the training strategy is summarised below:

- Board members are expected to complete the Pension Regulator's on-line toolkit designed to provide a sound understanding of the roles and responsibilities of public service Pension Board members;
- All members have received training from the Local Government Association
- The approach to training will be flexible, in order to recognise the ever changing landscape of Firefighters Pension Schemes;
- Training will be delivered in a way that complements the current activities or projects undertaken by the Authority's Scheme Manager or Pensions Administrators.

7.3 This year the Board have received the following training:

Date	Topics Covered
May 2018	Joint Police and Fire Governance Event – attended by the Chair
Sept 2018	LGA Annual Firefighters Pension AGM – Attended by the PB Chair and HR Operations Manager, Head of HR and Payroll Manager
Throughout the year	The HR Operations Manager attends the Regional Pension Meetings
Throughout the year	Pension Board Members have been carrying out the Pension Regulators online training toolkit and also keeping abreast of matters by reading the LGA FF Pensions bulletins.

All Pension Board members have received the training provided by the LGA. There have been two sessions with the LGA, one independently with the Service and one jointly with Cambridgeshire FRS.

7.4 All board members have either passed or are working towards passing all of the 7 modules of the Pensions Regulator's online Public Service toolkit. The topics are:

- Conflicts of Interest
- Managing Risk and Internal Controls
- Maintaining Accurate Member Data
- Maintaining Member Contributions
- Providing Information to members and others
- Resolving Internal Disputes
- Reporting Breaches of the law

8. Outcomes

- 8.1 Decisions about the running of the Pension Schemes are ultimately made by the Chief Fire Officer, who is delegated to carry out that function by Bedfordshire Fire and Rescue Authority in its capacity as the Scheme Manager.
- 8.2 The role of the Board is to assist the Scheme Manager to ensure compliance and to make recommendations to improve the efficient and effective administration and governance of the pensions function. A generic meeting agenda template is attached at Appendix 1, with the draft Work Programme for 2019/20 attached at Appendix 2.
- 8.3 This year the Board has fulfilled its role in the following ways

Date	Area	Action
All meetings	<ul style="list-style-type: none">• Pension Board Risk Register• LGA Pensions bulletins• Administrators report• Discussions of the Regional Pension Group	The Board discusses these areas at each Board Meeting and action points are recorded where required for follow up.
26 July 2018	Pension Ombudsman cases	The Board agreed to review two cases per meeting from December 2018 onwards
26 July 2018	Fire and Police Local Pension Governance Board	The Chair gave feedback to the PB of the event that he attended in May 2018.
26 July 2018	The Pensions Regulators Survey	The Chair summarised the findings of the survey and circulated this to all PB Members.
26 July 2018	Service Order on PB Training	SOC A Peckham produced the service order that was approved at

		the meeting.
20 December 2018	GDPR	The Authority's Pension Administrators, LPP, gave a presentation on GDPR
20 December 2018	Attendance by the Local Government Association (LGA)	<p>This Board meeting was attended by the LGA, Pensions Administrators and the Chair of the LGA PB Effectiveness Committee.</p> <p>The LGA commented that the Pensions Board members were "engaged" and the Chair of the LGA's Pension Board Effectiveness Committee also commented positively on our Board meeting. He attended to monitor the effectiveness of the committee.</p>

8.4 As noted above, the Board has been meeting since it was approved at the FRA meeting on 31st March 2015. The following meetings have taken place:

- 14 August 2015
- 19 October 2015
- 11 December 2015
- 22 April 2016
- 3 August 2016
- 8 November 2016
- 3 February 2017
- 15 May 2017

- 27 September 2017
- 5 December 2017
- 15 February 2018
- 26 July 2018
- 20 December 2018
- 21 March 2019

9 Future Dates of Meetings

9.1 The Board agreed to the following meeting dates for the 2019/20 year:

- 5 June 2019
- 11 September 2019
- 26 November 2019
- To be confirmed, one meeting before 31 March 2020.

**PAUL M FULLER CBE QFSM MStJ DL
CHIEF FIRE OFFICER**

**GAVIN CHAMBERS
T/ACO & TREASURER**

Appendix 1

Bedfordshire Fire & Rescue Service

Local Pension Board Meeting

Date

Time

BFRS HQ Conference Room, Kempston, Bedford MK42 7NR

AGENDA

1.	Welcome and introductions		Indicative start times 10am
2.	Apologies for Absence		
3.	Conflicts of Interest	All	
4.	Minutes of the previous meeting/action points	Chair	
5.	Current surveys (TPR and Aon) – and actions from these	SG	
6.	<i>Any new agenda item for this meeting</i>	Chair	
7.	Administrators (LPP) report and updates (incl KPIs)	Neil Lewins	
8.	Communications a) Pensions Regulator b) LGA Pensions Team newsletter (FPS – bulletin number 14) and actions arising from this. c) Pensions Group Meeting update	SG/All	

9.	Risk Register	GJ/All	
10.	Training a) Training Needs analysis discussion b) Service Order – Pension Board Training	All/Andy	
11.	Review of Pensions Ombudsman Cases	SG	
12	Workplan Review	Chair/All	
13.	Any other business	Chair/All	
14.	Next Meeting – Agenda Items, Date and Place		

Appendix 2

ANNUAL WORK PROGRAMME – LOCAL PENSION BOARD										
SUBJECT	AUTHOR(S)	2018				2019				COMMENTS
		Mar	July	Sept	Dec	Mar	July	Sept	Dec	
Annual reports – submission / deadline dates		X				X				
Feedback on Auto-Enrolments / Opt-outs		X				X				
Injury Awards		X				X				
Feedback from Annual Benefits Statement Exercise			X				X			
TPR Public Service Governance and Administration Survey		X				X				
Annual Data Quality Review / Data Improvement Plans			X				X			
GDPR Regulations – implications		X				X				
GMP Reconciliation (HMRC)					X	X				

STANDING ITEMS										
Work Programme		X	X	X		X	X		X	Standing Item
Communications (including ABS issues)		X	X	X		X	X		X	Standing item (includes Annual Benefits Statement issues)
National Scheme Advisory Board - Update		X	X	X		X	X		X	Standing Item
Pensions issues/Workload		X	X	X		X	X		X	Standing Item
Learning & Development - Update		X	X	X		X	X		X	Standing Item
Self – assessment - Update		X				X				Standing Item (ANNUAL)
New Regulations		X	X	X		X	X		X	Standing Item
Monthly Client Reports <i>To include KPIs</i>		X	X	X		X	X		X	Standing Item
Breaches		X	X	X		X	X		X	Standing Item
Fraud			X							