

Warwickshire Fire and Rescue Local Pension Board of the Firefighters' Pension Scheme

Wednesday 9 June 2021

Minutes

Attendance

Committee Members

Martin Reohorn (Chair)
Barnaby Briggs
Caroline Jones
Sian Marsh
Paul Morley

Officers

Liz Firmstone, Service Manager (Transformation)
Victoria Jenks, Pensions Admin Delivery Lead
Neil Buxton, Technical Specialist - Pension Fund Policy and Governance
Ian Marriott, Delivery Lead - Commercial and Regulatory
Deborah Moseley, Senior Democratic Services Officer

1. General

2. Apologies

None.

3. Board Members' Disclosures of Interest

None.

(1) Minutes of the Previous Meeting

The minutes of the previous meeting were agreed as a true and accurate record.

There were no matters arising.

4. Forward Plan

Neil Buxton, Technical Specialist - Pension Fund Policy and Governance presented this report to the Board which set out a rolling forward plan for a one-year period. The plan included a number of standard items but was intended to be flexible and accommodate any developing issues at each meeting.

The Board noted the content of the plan and requested an update on the outsourcing of the administration of the Fire Pension Schemes in due course.

5. Risk Monitoring

Neil Buxton, Technical Specialist - Pension Fund Policy and Governance, presented this report to the Board and explained that a more comprehensive report would be brought to the Board in September which would also reflect an updated way of monitoring risk, focussing on risk appetite and openness to risk.

In response to questions, Neil Buxton advised that the risk register used the County Council format but that elements of the Local Government Association's format would be taken into account. The quarterly timescale also followed the timescales set out at County level.

Neil Buxton also confirmed that most of the risks had been assessed as amber and the register also detailed the actions that had been implemented to mitigate risks. By way of example, he noted risk 002 regarding employer / employee contributions not being paid – was not a particular risk whilst the administration service was managed by Warwickshire County Council, but that risk would increase once the Service was outsourced.

In response to a discussion regarding the escalation of risk, Liz Firmstone, Service Manager (Transformation), noted that the new corporate risk framework had escalation processes built in and the Team would be undertaking an exercise to review this risk register against the new framework. She explained that the new corporate framework had a slightly different risk matrix which provided for a more discerning risk score. A report that would be brought to the Board in September would highlight the key features of framework and how risks were reviewed and be clear on the process of escalation.

In response to a discussion on the escalation and scoring of risk 002 - Employee / employer contributions not paid, Vicky Jenks, Pensions Admin Delivery Lead, advised that there had been an issue with the correct contributions being deducted which had been identified and processes put in place to recognise problems at an early stage and therefore this risk had currently been assessed as green. It was agreed that this would be considered again for the next register.

The Board noted the content of the report.

6. Pensions Administration Activity and Performance update

Vicky Jenks, Pensions Admin Delivery Lead presented this report which provided an update on key developments affecting Fire pensions administration and the performance of the Pensions Administration Service, including breaches, Internal Disputes, McCloud/Sargeant and immediate detriment cases, progress with regard to i-Connect, the Annual Benefits Statement project, the

Pension Schemes Bill/ Pension Schemes Act 2021, and outsourcing of the Firefighter Pensions Administration.

In response to a question about a proposal to signpost members to the LGA member website for information regarding immediate detriment cases, Vicky Jenks advised that the Scheme's website would be updated to strip back the information provided and simply signpost to the LGA website so that there was no duplication of information and members were able to access the most up-to-date information. She also confirmed that Heywoods - pensions software provider - had not indicated that the upcoming outsourcing exercise would change their delivery model.

The Board asked further questions regarding immediate detriment cases and Vicky Jenks explained the approach that was being taken to the guidance to work out the difference between the two sets of contributions which might result in a refund or a contribution to pay. Regarding taxation, there had been a suggestion that scheme members would not be penalised, but this had not yet been enshrined in legislation, so some care was required in the advice being given and the potential to recalculate the differences. Scheme Members were required to pay gross tax contributions and contact HMRC to claim back any tax relief which was the method used for retained firefighters. An open dialogue was being kept for those subject to immediate detriment on retirement, they were getting a pack detailing both sets of benefits. It was acknowledged that there had been good feedback on the way immediate detriment cases were being dealt with and, despite the Board noting that there were more new and unusual queries being raised, Vicky Jenks confirmed that she was comfortable that there was capacity to continue to manage the situation and Neil Buxton, Technical Specialist - Pension Fund Policy and Governance, confirmed this was an issue identified on the risk register.

The Board noted the report.

7. Breaches Policy

Neil Buxton, Technical Specialist - Pension Fund Policy and Governance presented this report to the Board which explained the legal requirements for reporting breaches of the law and introduced a policy for breach reporting which had been based on the policy for the Warwickshire Pension Fund.

The Board noted the policy and considered it followed the code of practice.

8. Cyber Security Policy

Neil Buxton, Technical Specialist - Pension Fund Policy and Governance presented this report to the Board which introduced a cyber security policy for the Fund which had been produced in accordance with the requirements of The Pensions Regulator.

Barnaby Briggs asked how the online member self-service portal met cyber security requirements and Vicky Jenks advised that there would be a two-way authentication process to log on to the secure network. Members only had access to their own log-in details and, therefore, anyone falling foul of phishing attempts would only risk their own data.

In response to a query about the regularity of reviewing the policy, Neil Buxton, advised that it was sensible to keep the policy under review. This was a view echoed by Liz Firmstone, Service

Manager (Transformation) who indicated that annual review was considered best practice. This year a root and branch review of policies was taking place which would mean a lighter touch approach could take place in subsequent years.

Resolved

That the Warwickshire Fire and Rescue Local Pension Board approved the Cyber Security Policy

9. Next Steps

Further details about the timescales for the outsourcing of the pension’s administration service was sought and clarification of the deadlines for completed tenders was given as 14 July 2021. An evaluation process would then be required before the next Local Pension Board meeting and a further briefing would be available at that time.

An Introduction to Fire Pension Schemes training session was being planned for September and potential dates for this would be circulated. It was also planned to circulate a questionnaire for members of the Board to identify gaps in their knowledge in order to inform the training plan. It was hoped to link with other administrators to deliver the training plan and further discussions would take place at the upcoming Fire Officers Group meeting.

10. Any Other Business

None.

11. Future Meeting Dates

Future meeting dates were noted as follows:

- Tuesday, 14 September 2021
- Tuesday, 9 November 2021
- Monday, 14 February 2022
- Tuesday, 10 May 2022

All meetings were scheduled to start at 2.00pm and would take place virtually or at Shire Hall Warwick.

The meeting rose at 2.46pm

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Chair