

Corporate Management Team Report

REPORT AUTHOR(S): ASSISTANT CHIEF OFFICER GAVIN CHAMBERS

SUBJECT: FIREFIGHTER PENSION SCHEMES LOCAL PENSION BOARD REPORT 2020/21

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Background Papers:

FRA report on Pension Boards in March 2020

PURPOSE:

Annual Report

This is the Annual Report of the Bedfordshire Fire and Rescue Authority Local Pension Board (the Board), covering the period from 1 April 2020 until 31 March 2021.

RECOMMENDATION:

For CMT 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 31st 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/>

2. Membership of the Board

2.1 With effect from 1 April 2015, the Pension Board had two employer representatives and two employee representatives. Since this date, the Chair has been Gavin Chambers, Assistant Chief Officer.

During 2020/21, the Chair decided that for resilience purposes, this should be increased to three employer and three employee representatives. This was actioned with new appointments as noted below.

2.2 All employees can raise matters to the HR Operations Manager for inclusion on the Board agenda should this be appropriate (in accordance with the remit of the Board, covered above at para 1.2).

2.3 The Board's membership over 2020/21 was as follows:-

- Employer representatives:
 - Andy Peckham, Temporary Assistant Chief Fire Officer (retired May 2021 and at the time of writing this report, there is a vacancy on the Board)
 - Gary Jeffery, Head of Response (retired in December 2020)
 - Darren Cook, Head of Governance & Asset Management
 - Jason Tai, Head of Training and Assurance

- Employee representatives:
 - Pat Sherry (retired, pension member)
 - Clare Beasley, Crew Manager (and Fire Brigades Union Pensions Rep) who retired in April 2021 and was replaced by:
 - Matt Cross, Watch Commander (joined February 2021)
 - Gareth McCready, Crew Commander

2.4 Each meeting is attended and supported by Sally Green, HR Operations Manager and acting Scheme Manager and Fiona Beck, Assistant HR Operations 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 should receive 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
Feb 2021	LPB Training on Accounting for Tax and Events Reports
March 2021	LPB Training on Accounting for Tax and Events Reports
Throughout the year	The HR Operations Manager attends the Regional Pension Meetings and provides updates to the Board
Throughout the year	All members have been working towards passing each of the seven PB training modules on the LGA's website

Pension Board members have (or can where newly joined) receive the training provided by the LGA. In past years, there have been two sessions directly with the LGA, one independently with the Service and one jointly with Cambridgeshire FRS. More recently, this training has been held online. All training events are regularly communicated by the LGA in the Scheme Advisory Board bulletins.

7.4 All board members (unless newly joined) 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. As an example, the next meeting agenda is attached at Appendix 1, with the current Work Programme for 2021/22 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 Risk & Compliance Report • Discussions of the Regional Pension Group • Currently training topic from our Administrators (LPP) • Two Ombudsman cases are discussed for learning points • Current updates and discussion (particularly on McCloud/Sargeant over 2020/21) 	The Board discusses these areas at each Board Meeting and action points are recorded where required for follow up.
Quarterly	Administrators Admin report	
Annually	Administrators Annual Internal Control Report Surveys as necessary, such as The Pensions Regulator etc	

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:

- 2015/16 – 14 August, 19 October, 11 December
- 2016/17 – 22 April, 3 August, 8 November, 3 February
- 2017/18 – 15 May, 27 September, 5 December, 15 February
- 2018/19 – 26 July, 20 December, 21 March
- 2019/20 – 11 September, 8 November, 16 December, 6 March
- 2020/21 – 26 June, 17 September, 4 February, 15 March
- 2021/22 – 8 June

9 Future Dates of Meetings

9.1 The Board agreed to the following meeting dates for the remainder of the 2021/22 year:

- 20 September 2021
- 13 December 2021
- To be confirmed, one meeting before 31 March 2022.

**GAVIN CHAMBERS
ACO & TREASURER**

**Bedfordshire Fire & Rescue Service
Local Pension Board Meeting
Monday 20 September 2021 at 1100 hours
MS Teams Meeting**

AGENDA

1.	Apologies	
2.	Minutes and Action Points of Previous Meeting dated 8 June 2021	Chair
3.	Conflicts of Interest: <ul style="list-style-type: none">• Members Interests	
4.	Current pensions matters (cases, valuations, McCloud/Sargeant etc)	All
5.	Feedback from and Seminars attended	GC/SG
6.	Administrators (LPP) report and updates (incl KPIs): <ul style="list-style-type: none">• Latest monthly report(s)• Annual Internal Control Report (if received)	Neil Lewins

7.	<p>Communications</p> <ul style="list-style-type: none"> a) Pensions Regulator b) LGA Pensions Team newsletter (FPS – bulletins since last meeting) and <i>actions arising from this.</i> c) Pensions Group Meeting update d) Surveys update e) Annual Benefit Statements out – feedback? 	SG/All
8.	Risk Register	JT/All
9.	<p>Training</p> <ul style="list-style-type: none"> a) Training Needs analysis discussion b) Forthcoming plans, training dates c) New Pension Board Members d) LPB Training (to be confirmed) 	All NL
10.	Review of Pensions Ombudsman	SG/FB
11.	Work Plan Review	Chair/All
12.	Annual Report	Chair
13.	Any Other Business	Chair/All
14.	Next Meeting – 13 December @ 11:00 hours	

ANNUAL WORK PROGRAMME – LOCAL PENSION BOARD

SUBJECT	AUTHOR(S)	2021					2022				COMMENTS
		Mar 2021	June 2021	Sept 2021	Dec 2021		Mar 2022	June 2022	Sept 2022	Dec 2022	
Annual Pension Board report on activity undertaken			X				X			To be reported to CMT, not deemed appropriate for FRA (now no P&CG).	
Feedback on Auto-Enrolments / Opt-outs			X						x	To be confirmed, dates to be in line with process	
Injury Awards				X				X		Overview	
Feedback from Annual Benefits Statement Exercise				X				X			
TPR Public Service Governance and Administration Survey		X				X					
Annual Data Quality Review / Data					X				X		
GDPR Regulations – implications			X			x			X		
New – Admin Strategy			X								
LPP subject specific training		X	X	X	X	X	X	X	X	Neil to advise on training subjects, commenced in Feb 2021 with tax/HMRC	

SUBJECT	AUTHOR(S)	2021				2022				COMMENTS
		Mar 2021	July 2021	Sept 2021	Dec 2021	Mar 2022	July 2022	Sept 2022	Dec 2022	
GMP Reconciliation (HMRC)			X			X				
STANDING ITEMS										
Work Programme		X	X	X	X	X	X	X	X	Standing Item
Communications (<i>including ABS issues</i>)		X	X	X	X	X	X	X	X	Standing item (<i>includes Annual Benefits Statement</i>)
National Scheme Advisory Board – Update		X	X	X	X	X	X	X	X	Standing item
Pensions Issues/ Workload		X	X	X	X	X	X	X	X	Standing item
Learning & Development – Update		X	X	X	X	X	X	X	X	Standing item
Risk Register		X	X	X	X	X	X	X	X	
Self-assessment – Update				X				X		Standing Item (ANNUAL)
New Regulations	-	X	X	X	X	X	X	X	X	Standing Item

From LPP:										Standing Items
Monthly Client Reports <i>To include KPIs</i>		X	X	X	X	X	X	X	X	
Quarterly Admin Report		X	X	X	X	X	X	X	X	
Annual Internal Control Assurance Report				X				X		
Breaches		X	X	X	X	X	X	X	X	Standing item
Fraud Review/Assessment			X				X			