

West Midlands Fire and Rescue Authority

Pension Board

**You are summoned to attend the meeting of Pension Board to be held on
Friday, 11 September 2020 at 15:00**

at Digital meeting via Microsoft Teams, [Venue Address]

for the purpose of transacting the following business:

Agenda – Public Session

- 1 To receive apologies for absence (if any)
- 2 Declarations of interests
- 3 Minutes of the Pensions Board on the 30 July 2020 **3 - 10**
- 4 Updates:
 - Annual Benefits Statement 2020
 - Assurance of Governance Arrangements during Covid 19 Pandemic
 - Risk Register
- 5 McCloud Sargeant Consultation (Fire) (July 2020) - verbal update
- 6 FPS Bulletin 26 (verbal update)
- 7 Recruitment of Board Members 2021 (verbal update)
- 8 Date of next meeting
- 9 Any other business
Discussion of any other business not on the agenda.

Distribution:

Neil Chamberlain - Independent Chair, Wendy Browning-Sampson - Employer Representative, Julie Felton - Employer Representative, Adam Harper -Scheme Member Representative, Emmett Robertson – Scheme Member Representative, Kal Shoker – Employer Representative, Alan Tranter – Scheme Member Representative

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This agenda and supporting documents are also available electronically on the West Midlands Fire Service website at www.wmfs.net

Pensions Board

Item 3

30 July 2020 at 15.30 hrs by Virtual Meeting

Attendance: Adam Harper, Employee Representative
Alan Tranter, Employee Representative
Wendy Browning Sampson, Employer Representative
Kal Shoker, Employer Representative
Paul Gwynn, Pensions Adviser
Observer: Councillor Catherine Miks, Chair of the Audit and Risk Committee to the Fire Authority

1. **Apologies**

Apologies were received from Neil Chamberlain (Chair), Julie Felton (Employer Representative), Karen Gowreesunker (Clerk to WMFRA), Emmett Robertson (Employee Representative).

Neil Chamberlain withdrew on the day of the meeting due to urgent professional business. His nomination of Kal Shoker to Chair the meeting, was unanimously agreed by attending Board Members at commencement of the meeting.

2. **Minutes of Pension Board 14 May 2020**

The Board resolved that the minutes of the meeting held on 14 May 2020 be approved as a correct record of proceedings.

Alan Tranter enquired upon the most recent contact with the Pensions Regulator. Paul Gwynn confirmed a conversation within the previous two weeks. The Board expressed satisfaction that contact was on-going through the pandemic period.

3. **Annual Benefits Statement 2020**

Paul Gwynn confirmed statements were produced and release will be in advance of the required deadline. There are twenty statements yet to be finalised, all relating to Members who were divorced. All statements will have been posted to Members by 14 August 2020.

Alan Tranter enquired if the software utilised for production of statements was sufficient. Paul Gwynn confirmed it was and that a version software upgrade was being supported by West Midlands Fire Service (WMFS) ICT team for completion during August 2020. A procurement process for contract renewal effective of November 2021 is to be progressed, preferably moving to a cloud-based functionality.

4. **McCloud Sargeant consultation (Fire)(July 2020)**

The Board undertook a question and answer session to Paul Gwynn of the recently released consultation document.

Alan Tranter enquired if WMFS was supportive of the consultation response. Paul Gwynn replied the Service would provide unbiased context enabling those affected to make appropriate decisions. He stated that the principal considerations were if the proposal removed discrimination from the three schemes and addressed bereavement of Members. Paul Gwynn stated that it initially seems to resolve both items, however the item of deferred or immediate benefits is potentially the larger issue for consideration. The Local Government Association (LGA) prefer the opportunity to defer, as it will minimise issues for Members who will not draw down their benefits until the long term.

Adam Harper thanked Paul Gwynn for his support in clarifying issues for the benefit of Members and those of the Fire Brigades Union (FBU). Paul Gwynn responded that

data specific to individuals could be readily calculated with payroll and pensions functions being provided by the same functional team.

Alan Tranter enquired of Adam Harper, if the FBU will be a consultee; he replied to the affirmative. Kal Shoker enquired of Paul Gwynn if the response of West Midlands Fire and Rescue Authority (WMFRA) would be compiled by him and the process for its approval. Paul Gwynn confirmed the deadline for submission of responses was 11 October 2020 and the proposed response would be proceeding via the WMFS Section 151 Officer and onto either Audit and Risk Committee and WMFRA dependent upon timescales for meetings. The meetings for the new year municipal year were yet to be confirmed due to the on-going management of the pandemic; the Local Authorities (Coronavirus) (Flexibility of Local Authority Meetings) Regulations 2020 provided the flexibility within meeting arrangements to enable a validated consultation response from WMFRA

Adam Harper expressed the continual flow of information on the subject was important to advise responses and the approach so far was exemplary.

5. **Review of Risk Register**

The Board reviewed the content of the Risk Register, focussing upon those risks with a score of 4,6 and 8.

Risk 1 Operational Disaster – Paul Gwynn confirmed an order had been placed for a company to securely scan all documents by 2020 year-end at a cost of £4,500 plus VAT. Kal Shoker requested a verbal report on progress at the next Board meeting.

Risk 2 Member data incomplete or inaccurate – Paul Gwynn stated the data held was relevant and appropriate. The cleanse exercise has not been conducted, as the annual benefits statements provision has illustrated issues arising with non-returns, which will advise the process. Alan Tranter enquired if records were digitised would it mitigate risk, Paul

Gwynn replied that data needed to be accurate in paper or digital format, the latter being a scan of the former in this instance. NARF had a role in ensuring awareness among its Members of the importance of ensuring their details were current. Councillor Miks enquired if digital enabled easier access to records, Paul Gwynn replied only for officers from any location and that it does not alter accuracy of data stored.

Adam Harper enquired if P60 could be distributed to Members by email. Paul Gwynn replied that General Data Protection Regulations do not enable WMFS to distribute to outside of service addresses; all in Service email addresses are considered secure.

Alan Tranter enquired of any plan for the procurement of a bespoke pensions and payroll system or dashboard of pensions performance portal. Paul Gwynn reaffirmed that data accuracy and secure storage is critical; a Member self-service portal for updating personal details could be included to the scope of the procurement process for system contract re-let from November 2021.

Risk 4 Complete system failure at point of pay date – Paul Gwynn stated this risk was pertinent to IT failure and not the business continuity conducted by the Payroll and Pensions Team.

Risk 5 Failure to process BACS – Paul Gwynn stated the BACS file produced by WMFS Payroll and Pensions Team was sent to Sandwell MBC for transmission. The process is established but has been subject to a supplementary Covid-19 specific risk assessment. Kal Shoker confirmed that Sandwell MBC were intending to switch systems by 31 March 2021 and WMFS will be included to that process. A review of data is planned to minimise duplication from source to transmission.

Risk 8 Insufficient resource to enable function to meet requirements of Pension Regulator – Paul Gwynn provided assurance of risk management and itemised business continuity during Covid-19 by example.

Risk 17 Failure to interpret rules or legislation correctly and Risk 18 Failure to comply with disclosure requirements or communicate with staff – Paul Gwynn expressed the experience of the Payroll and Pensions Team and potential for succession planning therein. There is consistent liaison with LGA working and technical groups, hence the visibility and contribution of WMFS to improvement and interpretation within the sector is evident.

Wendy Browning-Sampson proposed the Risk Register include a last reviewed date at the end of the document. The Board accepted this proposal.

6. **Recruitment of Board Members 2021**

The Board were reminded by Paul Gwynn that the tenure of Employee Representatives concludes in June 2021. Arrangements for an election process will be confirmed by December 2020.

Wendy Browning-Sampson confirmed the recruitment process would cover a six-month period and the current recruitment process is to be assessed and verified for fitness for purpose in advance of commencement. It was also confirmed the Clerk to the WMFRA would be consulted in parallel to discuss the mechanism for future recruitment of Employer Representatives to the Board.

The Board agreed that this item become a standing agenda item during this period of recruitment.

7. **Assurance of Governance arrangements during Covid-19 Pandemic**

Kal Shoker confirmed the WMFS Final Accounts, which includes Pensions, were submitted to the Audit and Risk Committee on 27 July 2020. The external auditors Grant Thornton have raised no issues with the financial position, accounting practices and statement of accounts. The final sign off will not be completed until late September 2020, as the West Midlands Pension Fund accounts audit is yet to be approved of which WMFS accounts final sign-off is contingent.

Paul Gwynn confirmed the same Committee received two Pension related reports. The Request for Pensionable Pay Decision for Fire Safety trial was approved, whilst the Reinstatement of a Widow's Pension was deferred for further evidence gathering. Councillor Miks affirmed that all WMFRA meetings were being conducted in accordance with the Local Authorities (Coronavirus) (Flexibility of Local Authority Meetings) Regulations 2020.

Paul Gwynn confirmed that all pensions payments continue to be paid on time. A retrieval of overpayment is presently being progressed from the estate of a deceased Member.

8. **Date of Meetings**

The dates of future meetings were reaffirmed as:
Friday 11 September 2020 at 15.00hrs
Friday 11 December 2020 at 15.00hrs

Both to be conducted as virtual online meetings

9. **Any other Business**

Board Members referenced receipt of the latest FPS bulletin today. Paul Gwynn stated content was mainly for information and he had not identified any item for note of the Board.

The Strategic Hub were requested, via Phil Fellows, to contact Claire Hey of the FPS seeking her availability for training updates at the December meeting.

The Board meeting ended at 16.40hrs.

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