

## Minutes of the Pension Board

4 June 2019 at 1400 hours held at  
Fire Service Headquarters,  
Vauxhall Road, Birmingham

### Present:

Adam Harper - Employee Representative  
Alan Tranter - Employee Representative (Chair for this meeting)  
Emmett Robertson - Employee Representative  
Wendy Browning Sampson - Employer Representative  
Kal Shoker - Employer Representative  
Ian Cross - (Representing Pensions Adviser)

### Apologies:

Neil Chamberlain (Chair)  
Paul Gwynn, Pension Adviser

Ian Cross Introduced himself as Paul Gwynn's representative

#### 14/19 Appointment of the Chair of the Pensions Board

Alan Tranter, Employee Representative, chaired the meeting in the absence of Mr Chamberlain.

#### 15/19 Minutes of Pensions Board held on 4 March 2019

Minute No 13/19 The letters IDPR should read IDRP and in Action 3 the word "obtain" should read "request".

The minutes were received as a correct record.

#### 16/19 Actions from the Minutes

Wendy Browning Sampson had contacted Regional Brigades about their Risk Registers but had not received any feedback to date.

Paul Gwynn and Wendy Browning Sampson were working together on the Risk Register using the Template provided and Best Practice and would present a report to the September meeting of the Pension Board.

Alan Tranter suggested that the Pension Board Risk Register should complement the Brigade Risk Register rather than a stand-alone Risk Register.

Wendy Browning Sampson confirmed that the Pension Board would have an opportunity to discuss how the Risk Register would be controlled and audited and compliant at the September meeting of the Board.

Alan Tranter suggested that the Clerk to the Authority should be invited to attend the meeting as the link with the Authority and also stated that he would prefer the Scheme Manager to be a named person rather than the Audit and Risk Committee. He felt the Board needed a realistic Risk Register.

The Board discussed possibly inviting an Internal Auditor to provide an input annually at a meeting and strengthening the connection with the Audit and Risk Committee and inviting the Clerk to explain the governance arrangements to the Board.

Kal Shoker confirmed that the organisation is subjected to audits and if either the internal or external auditor became aware of any issues e.g. GDPR, they would make the Members and Officers aware.

Kal Shoker confirmed that the Auditors carried out sample testing, and produced the Annual Audit of Accounts to the Audit and Risk Committee and Grant Thornton present an Audit Findings Report that encompasses payroll and pensions.

Ian Cross also confirmed that the Pension Section is Audited by Sandwell MBC and Grant Thornton who look at both processes and calculations.

The Pension Board requested that the Risk Register and Controls were fit for purpose.

The Pension Board requested that the Combined Authority risk be removed from the Risk Register.

Action 6 Wendy Browning-Sampson had spoken to regional colleagues regarding Pensions training and they were happy with the shared approach to training. It was agreed that each Service would host a training session, but this would be open to Regional colleagues.

Wendy Browning-Sampson agreed to look at opportunities for specific training and would set up the first joint training day with Regional colleagues and would share the date with colleagues.

Adam Harper requested that some consideration be given to dates as he was watch based.

Engagement with the Audit and Risk Committee was discussed. The Board were concerned at the lack of continuity and it was agreed that a Joint Training Day would be arranged with the LGA for both the Audit and Risk Committee and Pensions Board. It was felt that this would provide more information and build relationships.

Wendy Browning-Sampson agreed to contact Claire Hey to arrange joint training.

Kal Shoker and Emmett Robertson confirmed their attendance at the forthcoming Pension Wrap Up Training in London on 18 June 2019.

Adam Harper confirmed that he had read all the information on the Pension Regulator site and would work through the modules on the LGA pension site.

## 17/19 Pension Section Supporting Information

Ian Cross presented the Pension Section Supporting Information

He stated that there are three Members in the Section with one new Member joining the team.

Over the last 4 or 5 years the number of queries and answers are becoming more individual and less generic.

The report set out the number of Opt Out's and the Board were informed that Paul Gwynn had sent out a questionnaire to those people who had Opted Out in order to establish the reasons. The general theme of the returns indicated the cost of the scheme and contributions, personal financial commitments and mortgages. Some employees indicated that they would join again in the future.

More recently some new recruits are opting out during their training period, with the intention of rejoining on the completion of training.

The Board were informed that an Auto enrolment process would be undertaken from the 1 June 2019. This process happens every three years.

Anyone who had opted out last year would be auto-enrolled this year and over 100 people who had opted out last year would be auto-enrolled.

In response to a question from Alan Tranter regarding those who do not wish to auto enrol, Ian Cross confirmed that it was a legal requirement to auto enrol non-members every three years, except for those who opted out within 12 months of the auto enrolment date (1 June 2019).

Wendy Browning Sampson confirmed that the timescale around this was a decision of the Scheme Manager.

The members can opt out following auto enrolment by emailing the Pensions Team and requesting an Opt Out form.

Employees would then receive a refund of their contributions if the form was returned in 3 months but not afterwards when it would be held in the scheme as a deferred benefit.

The 2015 deferred pension age is the state pension age. They can rejoin and benefits added together and pension claimed at 60.

Ian Cross confirmed that the 10 June was the payroll deadline. Contributions deducted in June would be refunded in July where appropriate.

Emmett Robertson felt that this was harsh and could leave members in hardship and suggested that employees could be informed in May.

Further to Wendy Browning Sampson's query, Ian Cross confirmed that Paul Gwynn would accept forms that are signed and scanned and emailed into the Pensions Section.

Kal Shoker stated he would like to think that as a good employer the Authority would refund if there was a good reason.

Alan Tranter stated it was good to see the number of new people joining, but was disappointed to see that the number of leavers had increased.

#### 18/19 High Court Ruling on Pensionable Pay Booth and Jones v Mid and West Wales FRA.

Bulletin 20, included a link to a factsheet that provided further information and guidance to FRS on the elements of pay that were considered in the case and the rationale for the pension board pay judgement.

Members of the Board were recommended to read the Appendix attached to the latest Bulletin 20.

Kal Shoker enquired about the McCloud Sargeant Judgement and it was confirmed that the outcome was expected in July 2019.

Ian Cross stated that full details of all Schemes could be found on the FPS site under Regulations and Guidance

Emmett Robertson stated that he found the additional training he received when visiting the Section very useful.

#### 19/19 Annual Report of the Pension Board 2018/19

The Board agreed the Annual Report with slight amendments. It was noted that the Employer Representative position was vacant and Wendy Browning-Sampson stated that she was awaiting a direction of travel in respect of his post.

Kal Shoker agreed to discuss the Employer Representative Post with Mike Griffiths as following the retirement of the Deputy Chief Fire Officer this was now his area of responsibility

Following the retirement of the DCFO Phil Hales, the responsibility for Pension Board now lays with the Treasurer, Mike Griffiths, and on this basis the Pension Board asked Mike Griffiths to appoint to the Employer Representative vacancy.

The Pension Board also requested that the Authority name a person i.e. (Chair of the Audit and Risk Committee) as the Scheme Manager rather than the Audit and Risk Committee.

In the Terms of Reference under Definitions "West Midlands Fire" would be amended to read West Midlands Fire means the West Midlands Fire & Rescue Authority.

## 20/19 Risk Register

The Transfer of Governance to the Combined Authority would be deleted.

## 21/19 Bulletins 17/18 and 19/20 (circulated following release of the agenda)

The Board discussed unpaid leave, parental leave and contributions on unpaid leave but Ian Cross stated many of the issues were dependent on the scheme and individual.

Adam Harper enquired about the SERPS system and how it impacts on Members. Ian Cross confirmed that employees were contracted out up until 2016 and paid lower National Insurance Contributions as there was a two-tier state system for both Public and Private Sector Schemes.

After 2016 everyone paid the full National Insurance Contributions and there is a fact sheet referred to in the Bulletins about the ability to pay more to the Department of Work and Pensions in order to top up state pensions.

The Clerk to ensure the Chair of the Pension Board can attend or send a representative to the Annual Pension Conference in September 2019.

It was agreed that Julie Connor would circulate the Pension Regulator updates as and when they were received.

## 22/19 Training

Training had been discussed during the meeting.

## 23/19 Pension Board Activity Log 2016-19.

The Pension Board Activity Log was received.

## 24/19 Pension Board Work Programme 2018/19

The Pension Board Work Programme 2018/19 was received.

## 25/19 Updates on Topical, Legal and Regulatory Issues

Any issues had been discussed through the meeting.

26/19 Emmett Robertson provided an update from his attendance at the training

Emmett Robertson had attended a training session in London where the latest administration survey had been discussed.

The results showed there was room for improvement in the administration of Pension Boards. The West Midlands Pension Board conformed to the recommended 4 meetings a year and had 7 members.

Handover training had been a recommendation for replacements and cyber risk testing had also been discussed.

Emmett Robertson found the training very useful.



PENSIONS BOARD 4 JUNE 2019	
ACTIONS	
Action No.	Action
11	Wendy Browning Sampson and Paul Gwynn to present draft new Risk Register at the September Pension Board and were fit for purpose
12	The Clerk to the Authority to be invited to the next Pension Board to discuss the link with the Scheme Manager and governance arrangements
13	Pension Board to consider inviting Internal Auditor to one meeting per year
14	The Combined Authority reference to be removed from the Risk Register
15	Wendy Browning-Sampson to liaise with Regional Colleagues to arrange joint training in December 2019
16	Joint LGA Training to be arranged with the Audit and Risk Committee. Wendy Browning Sampson to liaise with LGA
17	Members to read Bulletin 20 Appendix re High Court Ruling
18	Pension Board Annual Report to be amended and presented to Audit and Risk Committee
19	Kal Shoker to discuss the Employer Representative Vacancy with the Treasurer
20	The Clerk to the Authority to be requested to consider that the Authority have a named person as the Scheme Manager
21	Representation at the Annual Pension Conference to be arranged
22	Julie Connor would circulate future Pension Regulator correspondence received by the Chair