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| Notes of the Extraordinary Pension Board |
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Tuesday 25 October 2016 at 1400 hours
at Fire Service Headquarters, Vauxhall Road, Birmingham

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| Present: | Andy Dennis - Wendy Browning-Sampson Kal Shoker | Employee Representative Employer Representative Employer Representative |
| Apologies: | Stuart Bourne | Employee Representative |
| Officer: | Paul Gwynn Pension Advisor | Payroll and Pension Manager |

1. Request for a Volunteer to Chair the Meeting

Wendy Browning-Sampson informed the Board of the resignation of the Independent Chair, David Wilkin, from the Board and asked for a volunteer to act as Chair of meeting.

The Independent Chair had recently resigned and the Board were in the process of recruiting a new Independent Chair.

Andy Dennis volunteered to Chair the meeting and this was accepted by the Board.

It was agreed that if another meeting of the Board was required before a new Independent Chair was appointed, that an Employer Representative would act as Chair.

2. Declarations of Interest

Andy Dennis declared an interest in that he was in receipt of a Fire Service Pension.

3. Breach of Disclosure Regulations – Failure to issue an Annual Benefit Statement (ABS) to all scheme Members by 31 August 2016

The Board received a briefing note from the Pension Advisor and a discussion took place on the timescales involved and the implications of the software update from the software supplier Aquila Haywoods plc, which contributed to the delay in issuing the Annual Benefits Statement.

It was noted that the Pensions Section were aware earlier in the year of the requirements to provide data to GAD and annual benefits statements at or around the same time in August 2016.

Clair Alcock, the Pension Adviser had highlighted to authorities and GAD, that the timeframes would be difficult and were advised to pre warn the Regulator of the potential risk.

Haywoods suggested two possible dates for the upgrade, either June or August. The Pensions Section opted for the August date for the software update as did many other clients to enable as many fixes to be resolved before the final preparation of ABS.

There were a number of problems with the software, and Haywoods suggested some “work around” resolutions, some of the batches contained incorrect information and had to be reprinted and a decision was made to send all of the statements out at the same time rather than separately. The team wanted to concentrate on finalising all the statements rather than dealing with queries in between sending batches of ABS.

Feedback indicated that Members of the various Pension Schemes have been delighted to receive their statements and the Pensions Section have not received any complaints about the delay and there has not been any adverse impact on Members.

The Pension Board discussed delays in Registry and suggested that this workload should be built into future timelines and workloads.

The Board also discussed the benefit of sending the statements electronically and asked the Pension Manager to investigate this option for the future.

The contract with Haywoods was considered and the Board were informed that this service was purchased through the Northumberland Collaborative framework. A user group negotiates and the licencing costs were based on the number of people in the scheme. It was noted that approximately 75 – 80% of fire services use the Haywoods system, with 40% of Police Services and a smaller number of Local Government Pension Schemes. The remaining contract timelines with Haywoods would also be checked.

Paul Gwynn and Kal Shoker had attended the Firefighters Pension Scheme Annual General Meeting on the 11 October 2016 and it was reported that a number of authorities had also failed to meet the requirement to issue ABS by 31 August 2016. This was mainly caused by the quality of data and/or the software issues. The West Midlands Fire Service issues were mainly caused by the software.

A Public Service toolkit, giving examples of the law and the traffic light Framework provided by The Pension Regulator was circulated to the Members of the Board. The Board felt that the Statements that had been prepared early should have been sent out to mitigate the issue being determined as a red traffic light breach.

It was also felt that an email could have been sent out to Members informing them of the delay.

It was noted by the Members of the Board that breaches are covered by the Terms of Reference but the process of informing the Regulators is not included. The Terms of Reference would be amended and approved by the Pension Board at their next meeting to resolve this issue.

It was felt that a Risk Register should be created and any issues/breaches can be recorded in future. The Risk Register would be added as a standing item to the agenda of future Pension Boards.

It was agreed that the members of the Pension Board would meet in May to receive an update of the latest position in respect of the issue of Annual Benefit Statements in August 2017.

The Pension Advisor would look at the Service Legal Agreement with Haywoods and the Pensions Board requested that the Advisor examine the option to provide a self-service ABS and explore the option to use alternative suppliers.

The Board agreed the Action Plan outlined in the Briefing note as a way forward and The Board agreed to prepare a report for the Audit Committee meeting scheduled to take place on the 14 November 2016. The report would include the Pension Advisor's briefing note and would also include the Notes of the extraordinary Pension Board meeting held on the 25 October 2016.

The meeting closed at 1540 hours.

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