

Pensions Board

08 December 2022 at 14:00 hrs

Conducted at headquarters and digitally via Microsoft Teams

Attendance:

Chair: Julie Felton – Employer Representative

Employer Representatives:

Kamla Devi-Ahir

Officers and advisors in attendance:

Cllr Miks – (Chair of Audit Committee)

Tom Embury – Deputy Clerk to the Authority

Paul Gwynn – Pensions and Payroll Manager

Kirsty Tuffin – Democratic Services Officer

Employee Representatives:

Adam Harper

Alan Tranter

1. Apologies

Apologies were received from Kal Shoker, Employer representative.

2. Minutes of the Previous Pension Board held on 20 September 2022

Resolved:

1. That the minutes of the Pension Board held on 20 September 2022 be approved as a correct record of proceedings.

3. Minutes of the Previous Pension Board held on 20 October 2022

Resolved:

1. That the minutes of the Pension Board held on 20 October 2022 be approved as a correct record of proceedings.

4. Pension Section Supporting Information

Paul Gwynn, Pensions and Payroll Manager, presented the Business-as-Usual Performance Report, that outlined the basic demographics, activity levels/performance and the Internal Dispute Resolution Procedure.

Following concerns raised on the high level of numbers of those opting out of the scheme, Paul reassured members he had been corresponding with unison to do information sessions for those in the 2015 pension scheme. An induction was provided to all new starters on the scheme however, it was believed that whilst fire fighters had been in their training, they often opted out of the scheme until fully qualified. Following

discussions with Cllr Miks, on the role the Scheme Manager could have to assist, it was agreed that a report be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to inform its employees. It was agreed that more action needed to be taken to ensure employees are well informed before they make the decision to opt out, but it was recognised that ultimately it had to be their decision.

Resolved:

1. That the Business-as-Usual Performance Report be noted.
2. That it be agreed that a report be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to keep them well informed before they decided to opt-out of their pension scheme.

5. Risk Register

Julie Felton, Employer Representative, presented the Risk Register that outlined the key risk areas, categorised and scored against their likelihood to occur and the impact that would have.

The Board were advised that, unfortunately the risk register had not been updated since 7 September 2022. It had previously been agreed that that Alan Tranter, Employee representative, Paul Gwynn and Julie Felton would meet to discuss the risk register and advise the Board. Paul queried the Board if it would still be appropriate for him to attend these meetings as he did not want to appear to lead the Board. Alan expressed his desire for Paul to continue to attend the meetings, given his role. Paul agreed to continue to attend the sessions on the risk register, to indicate the impact of risks but would not set risks. Following reference to the regulator and potential changes by Audit and Risk Committee to the format of the risk register, it was advised this would be covered under item 6 of the agenda. It was agreed that Julie Felton would circulate 2023 meeting dates to discuss the Risk Register.

Resolved:

1. That the Risk Register – RED Rated, be approved.
2. That it be agreed that Alan Tranter, Julie Felton and Paul Gwynn would continue to meet to discuss the risk register. Julie Felton would circulate 2023 dates for these meetings.

6. The Pension Regulator Supervisory Report – Action Plan

Tom Embury, Deputy Clerk to the Authority, presented the Pension Regulator Supervisory Report that outlined the recommendations/action plan for the West Midlands Firefighters Pension Scheme Manager and Pension Board.

The Board were advised that the action plan was circulated to the Regulator by the deadline of 11 November 2022 following amendments/approval from both Pension Board and Audit and Risk Committee, as Scheme Manager. The Regulator had approved the action plan so all recommendations can be progressed if not completed already. It was agreed that the action plan be expanded to include actions arising from meetings to establish a Pension Board action plan. It was agreed this for be circulated to the Board prior to March meeting for actions to be progressed. It was agreed that

this be a standing item on the agenda for discussion and form part of the Pension Board Annual Report, submitted to Audit and Risk Committee.

Tom provided an overview/update on the action plan, as per agenda pack, as follows:

Reference	Update
A1	As responsibility lied with the Pension Board Chair, the completion date would now be March 2023.
A2	Training plan to be developed and an update be provided at the next Pension Board meeting in March 2023.
B1	Work was underway with PSS to provide time scales.
D1	Ferg Slade was unable to attend PB (8 December) but Tom would be covering update under agenda item 10.
D2	More information to be shared following internal investigation at the next Pension Board meeting in March 2023.
E1	Would be covered under agenda item 7.
E2	To be provided at the next Pension Board meeting in March 2023.
F	Resolved – reports will be provided to the Board, where possible.
G	Kirsty Tuffin to share the Declarations of Interest Form for pension Board Members. To be filled in annually by Board Members and added as a standing agenda item for new developments throughout the year.
H1	It was agreed that the format remain the same as it is with a simple RAG rating.
J-M	It was agreed that Paul Gwynn would update the Board on elements around data following his meeting with Altair.
N1 – N2	It was agreed that a report on proposed KPIs would go the next Audit and Risk Committee for approval/scrutiny. Prior to this, it would be circulated to Board Members for comments/amendments. It was agreed that this would include where the service had been currently to assess how to benchmark each KPI.
Q1	As per action N1-N2.
Q2	Was currently being drafted and would be circulated to the Board in due course for comments prior to its publication on CMIS.

Following questions on IDRPCs and complaints process, Paul advised the Board that all dispute decisions were well documented for a clear record. IDRPCs are usually reported to the Board via the Business-as-usual Report. No IDRPCs had been received since the last report. Tom Embury confirmed that all complaints had been submitted through the services CCC process and would follow the required time scales. It was expressed that there needed to be a clearer understanding between Stage 1 Disputes that would be dealt with by Mike Griffiths, as the Strategic Enabler for Finance, an IDRPC or a CCC process. Tom advised the Board that work had been underway with the Communications team to establish who would follow up any CCCs received. He reassured the Board that if addressed as a complaint, it would be treated as one through the CCC process. If it was felt it did not warrant a complaint, an email would follow this up with the individual(s). The need for this information be provided to the Audit and Risk Committee, as Scheme Manager, to provide them with confidence with the process was emphasised. It was agreed that IDRPCs be added as a standing item on the agenda moving forward. It was agreed that Tom would circulate the services CCC policy to provide greater clarity on the process.

Resolved:

1. That the Pension Regulator Supervisory Report – Action Plan be noted.
2. That it be agreed that the action plan be expanded to include actions arising from meetings to establish a Pension Board action plan. It was agreed that this be a standing item on the agenda for discussion and form part of the Pension Board Annual Report, submitted to Audit and Risk Committee. It was agreed the action plan be circulated to the Board prior to March meeting for actions to be progressed
3. That it be agreed that IDRPCs be added as a standing item on the agenda moving forward.
4. That it be agreed that Tom would circulate the services CCC policy to provide greater clarity on the process.
5. That it be agreed that Kirsty Tuffin would circulate the Pension Board Declarations of Interest forms to Pension Board Members to fill in.
6. That it be agreed that the format of the Risk Register remain as it is.
7. That it be agreed that Paul Gwynn would update the Board on elements around data following his meeting with Altair.
8. That it be agreed that a report on proposed KPIs would go the next Audit and Risk Committee for approval/scrutiny. Prior to this, it would be circulated to Board Members for comments/amendments. It was agreed that this would include where the service had been currently to assess how to benchmark each KPI.

7. Business Continuity Plan

Paul Gwynn presented the Business Continuity Plan as per requested at the last Pension Board meeting. Following queries upon how the Pension Board and Scheme Manager fit within the current plan, Paul advised the Board that the organisation had its own plan that pensions would sit under. If systems did go down, the organisations would still be required to ensure payments are made. It was expressed that both a pension administration plan and pension board business plan were required. A separate appendix to the plan would be ideal. It was agreed that Tom Embury would work with Paul to develop the plan for discussion at the next Pension Board Meeting in March 2023.

Resolved:

1. That the business continuity plan be noted.
2. That it be agreed that Tom Embury would work with Paul to develop a separate plan on Pension administration for discussion at the next Pension Board Meeting in March 2023.

8. Recruitment Update

Tom Embury, Deputy Clerk to the Authority, provided a verbal update on the recruitment process for both the employee representative and the Independent Chair of the Board vacancy held on the Board.

The Board were advised that the advert for the Independent Chair of Pension Board was live and would end Mid-December 2023. The advert had been widely spread across different job websites and West Midlands Fire Services website. No applications had been received. If no applicants were received, the advert would need to be extended into the new year. Suggestions had been made to the Strategic Enabling Team to use their connections in different organisations to assist in targeting

a potential candidate to apply for the role. Following suggestions to work with Birmingham Chamber of Commerce, Tom re-assured Members that the service did have links with organisations inside/out of Birmingham and organisations that could have potential candidates with pension knowledge would be sought.

The Board were advised that following concerns raised around the interest stage for the third employee representative and no postal option, it was felt this did not render the process. The need for those interested to be IT literate was emphasised. The Board were re-assured that post would be used for the voting stage of the process to ensure as many members as possible are able to vote. Following concerns around potential data issues, Paul expressed that the recruitment process for the third employee representative had been the responsibility of the Board and not the remit of the Scheme Manager. Data used for the process had been the most up to date information provided to the service. It was emphasised that members needed to formally notify the service of contact details changing. Emails that bounced in the previous process in July 2022, had not been used. Julie confirmed that admin had not been made aware of any internal emails bouncing/issues. All emails that bounced had been sent letters, with the final set being circulated today (8 December). It was agreed that Paul Gwynn would go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.

Following queries on the rules of balloting, Tom advised that the service had not been subject to the same rules as that of Unions, as the decision to elect had been an internal agreement by the Board in 2017. Most Boards across different services did not elect their representative(s) but opted for an appointment process instead.

Alan Tranter and Adam Harper advised they would extend their tenure. It was agreed that Tom Embury would email them for their confirmation of this to submit to the Scheme Manager for approval.

Resolved:

1. That the verbal update on recruitment be noted.
2. That it be agreed that Paul Gwynn would go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.
3. That it be agreed that Tom Embury would email Alan Tranter and Adam Harper for their confirmation of their request to extend their tenure on the Board, to submit to the Scheme Manager for approval.

9. Update on New Systems/Automation of Process

There were no further updates to be provided to the Pension Board.

10. External Communications Update

Tom Embury provided a verbal update on the external communications at the request of the Audit and Risk Committee.

The Board were advised that unfortunately, Ferg Slade, Communications Manager, had not been able to attend the Board meeting, due to other commitments. He was

developing a strategy for the Board for regular newsletter updates to be circulated to scheme members. It was agreed that Tom would correspond with Ferg, and it was hoped the strategy would be shared with the Board in due course.

Resolved:

1. That the external communications verbal update be noted.
2. That it be agreed that Tom would correspond with Ferg Slade on the strategy, with the intention to share the strategy with the Board in due course.

11. Update on Topical, Legal and Regulatory Issues (Verbal Report)

Paul Gwynn advised the Board that the Regulators Code of Practice had been updated, as per agenda item 4 of the agenda. It was agreed that Board Members would familiarise themselves with the revised Regulators Code of Practice before the next Pension Board meeting.

Following queries around the reference of 2a members for Immediate Detriment, Paul advised the Board that there had been 9 2a members, four of which can under Matters of Understanding and would be contacted before the end of December 2022. All remaining members would be contacted in January 2023.

Following queries around the 'hurt feelings' case, Paul advised the Board that only 2 claimants had been made by representative bodies so not everyone would be entitled to the payments. He advised that no payments would be issued until central government had provided the additional funds.

Resolved:

1. That the verbal update on Topical, Legal and Regulatory Issues be noted.
2. That it be agreed that Board Members would familiarise themselves with the revised Regulators Code of Practice before the next Pension Board meeting.

12. Training Update

Kirsty Tuffin, Democratic Services Officer, advised the Board that the Local Government Association (LGA), unfortunately did not have availability to provide a training session before Christmas. If Board Members were happy, the next Pension Board would be arranged in March, based upon the LGAs availability of the 28 or 29 March 2023, to ensure training could be provided. It was advised that should members have any specific topics they wish to have covered in the training then to inform Kirsty as soon as possible.

Members that wished to attend Staffordshire's LGA training on 17 January had been invited to do so. Adam Harper and Alan Tranter expressed the desire to attend. It was agreed that Kirsty Tuffin would contact the organisers. It was agreed that the TPR six key principles be included in the LGA training. It was agreed that Tom and Kamla Devi-Ahir would work on the training analysis for Board Members.

Resolved:

1. That the training update be noted.
2. That it be agreed that Kirsty Tuffin contact Staffordshire to book Alan Tranter and Adam Harper onto their LGA training, subject to availability.

3. That it be agreed that the TPR six key principles be included in the LGA training.
4. That it be agreed that Tom and Kamla Devi-Ahir would work on the training analysis for Board Members.

13. Pension Board Work Programme 2022-2023

Tom Embury provided an overview of the Pension Board Work Programme for 2022-2023 that outlined the planned Pension Board agenda items for the next municipal year. He advised that the Pension Board Terms of Reference (TOR) would be discussed in March 2023, should Members wish to recommend any changes to the Scheme Manager. Should members have thoughts on any recommended changes in the build up to the March meeting, please contact Tom or Kirsty who will include these for the Board to discuss. The Board were advised that as part of the constitutional changes, taking place next year, it was the viewpoint to include the Pension Boards TOR therein, alongside other Fire Authority Committee(s) TOR.

Resolved:

1. That it be agreed that the Pension Board Work Programme 2022-2023 be noted.

14. Date of the next meeting

Resolved:

1. That as per item 11 above, the next Pension Board would be arranged in March, based upon the LGAs availability of the 28 or 29 March 2023.

15. Any other business

Tom Embury reminded the Board that emails circulated outside the meeting were not to be shared externally, as part of the services privacy statement therein the email disclaimers. He agreed that feedback to members of the scheme had been important however, direct emails which could include sensitive information must not be shared with them directly.

Following queries around the Internal Investigation TOR, it was agreed that Tom Embury would discuss this with Cllr Miks, as a representative for the Scheme Manager, and subject to her approval, would publicly publish the TOR on the Committee Management Information System. He advised that in regard to information on the selected investigator this had been a decision of the Scheme Manager to appoint the correct person for the job. Both the Scheme Manager and Chair of the Authority felt comfortable with their decision. Alan Tranter advised he would direct members to her CV that had been publicly available on an external website should members ask.

Following queries on the process required to change the governance process in regard to changing the Scheme Manager from a Committee to a single individual, it was agreed that Tom would report the Employees views into Audit and Risk Committee. It was agreed that moving forward Pension Board meetings would be arranged for a duration of 2 hours to ensure there is adequate time to discuss agenda items. It was agreed that agendas would be issued 5 clear working days (7 days) before a meeting to align with statutory requirements for public meetings.

Resolved:

1. That it be agreed that Tom Embury would discuss the Internal Investigation TOR with Cllr Miks, as a representative for the Scheme Manager, and subject to her approval, would publicly publish the TOR on the Committee Management Information System.
2. That it be agreed that Tom would report the Employees views on a change the governance process in regard to changing the Scheme Manager from a Committee to a single individual into Audit and Risk Committee.
3. That it be agreed that moving forward Pension Board meetings would be arranged for a duration of 2 hours to ensure there is adequate time to discuss agenda items.
4. That it be agreed that agendas would be issued 5 clear working days (7 days) before a meeting to align with statutory requirements for public meetings.

The Pension Board meeting ended at 16:22hrs.