

Minutes



To: All Members of the Fire Pension Board, Chief Executive, Chief Officers, All officers named for 'actions' From: Legal, Democratic & Statutory Services
Ask for: Theresa Baker
Ext: 26545

HERTFORDSHIRE FIRE PENSION BOARD 23 MARCH 2018

ATTENDANCE

MEMBERS OF THE BOARD

Employer Representatives: T W Hone (Vice chairman), J Smith (substituted for G Goodchild)
Member Representatives: D Scotchford (Chairman), S Joiner,

STANDING SUBSTITUTE MEMBERS

Employer Representatives:
Member Representatives: D Cooper

Note: For this meeting only the usual order of business was varied such that the chairman's announcements followed Items 1a & 1b: appointment of the chairman and vice chairman for 2018– 2019.

Upon consideration of the agenda for the Hertfordshire Fire Pension Board meeting on 23 March 2018 as circulated, copy annexed, conclusions were reached and are recorded below:

PART I ('OPEN') BUSINESS

1a. APPOINTMENT OF CHAIRMAN

- 1a.1 The Democratic Services Officer invited members to propose a nomination from amongst the member representatives for the position of Chairman. D Scotchford was nominated by D Cooper and seconded by J Smith. There were no other nominations. D Scotchford was duly appointed as Chairman for the Hertfordshire Fire Pension Board.

1b. APPOINTMENT OF VICE CHAIRMAN

- 1b.1 The Chairman invited Board members to propose a nomination from amongst the employer representatives for the position of Vice

Chairman. T W Hone was nominated by J Smith and seconded by D Cooper. There were no other nominations. T W Hone was duly appointed as Vice Chairman for the Hertfordshire Fire Pension Board.

CHAIRMAN'S ANNOUNCEMENTS

- (i) *Gill Goodchild (HR Manager) had been appointed to the Board as an employer representative and replaced S Hedger,*
- (ii) *J Smith was substituting for G Goodchild*

Note: No conflicts of interest were declared by any member of the Board in relation to the matters on which conclusions were reached at this meeting.

1c. MINUTES

- 1c.1 The Minutes of the Hertfordshire Fire Pension Board meeting of 15 December 2017 were confirmed as a correct record and signed by the Chairman.

2. LOCAL PENSIONS PARTNERSHIP PRESENTATION ON GENERAL DATA PROTECTION REGULATIONS (GDPR)

[Officer Contact: James Ahlberg – Information Governance Manager, (LPP)]

- 2.1 The Board received an overview presentation of the background to the General Data Protection Regulations (GDPR), its importance, key changes that will affect the LGPS, first steps towards compliance and an update on the LPP's progress. The presentation can be seen at:
[Hertfordshire Fire Pension Board - 23 March 2018 - Item 2a-GDPR Presentation](#)
- 2.2 LPP agreed that, when completed, the chairman would be provided with evidence that all service agreements had 'been identified and reviewed to ensure compliance by 25 May and also that the supplemental agreement had been reviewed.
- 2.3 Officers clarified that the LPP legal team would retain the returned signed copies of service agreements currently being sent to third party suppliers for signing.
- 2.4 In relation to the drive towards online pension management, GDPR and email retention schedules, J Ahlberg clarified that the emails of each pension scheme member would be scanned into their individual file and retained for 6 years. Emails more than 6 years old would be removed on an annual basis.

P Towey
J Ahlberg

CHAIRMAN'S INITIALS

.....

Conclusions:

2.5 The Board noted the content of the presentation.

3 REPORT ON FIREFIGHTER PENSION SCHEMES ANNUAL BENEFIT STATEMENT RE-ISSUE

[Officer Contact: Rachel Wilson, Senior HR Officer, Strategy, Policy & Reward (Tel: 01992 588142)]

3.1 The Board received a report which disclosed that some Annual Benefit Statements (ABS) for the Firefighters Pension Scheme (FPS) for 2016-17 contained incorrect information and provided an explanation of how this occurred, the impact this had upon members, the steps that have been taken to remedy the situation and the measures which have been put in place to prevent the situation reoccurring.

3.2 The County Council provided all active members of the Fire Fighters Pension Scheme (FPS) with an Annual Benefits Statement (ABS) and Serco was contracted to supply payroll data via an 'annual return' to the LPP. During work on the day crewing pensionable project the LPP had noticed and alerted the Council's Human Resources (HR) that some of the annual return data supplied for the FPS 2016-17 was incorrect.

3.3 During discussion officers clarified that:

- i. a misinterpretation of the term pay had caused the error as the gross pay figure had been supplied rather than the Full Time Equivalent pensionable pay;
- ii. the incorrect final salary figures supplied by Serco had been used only for producing the ABS;
- iii. The cost incurred by LPP to update their records and reissue the ABS was paid by HR and would be recovered from Serco;
- iv. The columns of data had been defined to avoid future misinterpretation and explained to Serco in detail;
- v. Although 2/3 of the FPS 2016-17 had been affected, the majority of the retained firefighters had not as LPP had carried out additional calculations;
- vi. As the error could have caused inflation or deflation of benefits an email address had been supplied for member queries;
- vii. Due to the 6-7 month time lag to issue of the corrected ABS an accompanying letter of notification was being issued with it.
- viii. Members approaching retirement as a matter of course always received an estimate of benefits.

3.4 To assure the Board that this mistake could not occur again a peer review of signing off data was suggested.

R Wilson

**CHAIRMAN'S
INITIALS**

.....

3.5	Officers were requested to report back to the board on any challenges from members of the scheme.	R Wilson
	Conclusions:	
3.6	The Pension Board noted the content of the report.	
4.	LOCAL PENSIONS PARTNERSHIP FIREFIGHTERS PENSIONS ADMINISTRATION REPORT	
	[Officer Contact: Taryn Mutter – Head of Client Delivery (LPP)]	
4.1	The Board considered a report from the LPP which provided the quarterly update on delivery of the pensions fund administration services with respect to statistics and key performance indicators; an update on regulatory changes, including the latest information on potential scheme changes and additional projects.	
4.2	In relation to the 98.46% performance achieved against Service Level Agreement (SLA), officers agreed that LPP would provide information on the quality of the work and that in the future inaccuracies would be reported.	T Mutter
4.3	The data on the evolution of the fund's membership since 2005 showed that the number of deferred members had increased from 41 in 2005 to 243 in 2017 and Human resources (HR) could provide data on whether this was attributable to members opting out of the scheme or early exit.	P Towey R Wilson
4.4	N Lewins (LPP) clarified that the increasing number of deferred members could eventually result in more outgoings from the scheme than income as it was based on 'pay as you go', however, as it was still a statutory scheme the government would fund any difference. Due to auto enrolment every three years, should fire personnel wish to leave the scheme they had to make an active decision to do so, the most recent auto enrolment being 1 January 2016. It was highlighted that any pressures on the scheme would be identified at the three yearly valuation.	
4.5.	Following discussion on the effect of deferred pensions on the scheme, as part of the engagement process at the Fire Training Centre LPP offered to deliver a presentation on staying in the scheme; HFRS to notify LPP should a sufficient number of members express an interest in attending.	T Mutter C Bigland
4.6	In relation to the Annual and Lifetime Allowance N Lewins encouraged fire personnel doing scheme pays for bills of £2k to contact the LPP. It was highlighted that the introduction of voluntary scheme pays would affect very few cases; however those involved who earned a total taxable income of more than £150k	

would incur be a tapering of the annual allowance.

4.7 It was observed that although the GMP reconciliation project was a current pressure on the budgets cost of HFRS it would deliver benefits in the future

4.8 Following discussion Members requested that a short report on Voluntary Scheme Pays discretions be provided for the July meeting of the Board for information purposes.

R Wilson

Conclusion:

4.9 The Board requested, as above, additional information / content for inclusion in future reports.

19 July 2018: 10.00 AM

28 September 2018: 10.00 AM

18 December 2018: 10.00 AM

28 March 2019: 10.00 AM

25 July 2019: 10.00AM

OTHER PART I BUSINESS

There was no other PART I business.

KATHRYN PETTITT
CHIEF LEGAL OFFICER

CHAIRMAN _____

CHAIRMAN'S
INITIALS

.....