

HUMBERSIDE FIRE AUTHORITY

PENSION BOARD

6 JULY 2020

PRESENT:

Employer representatives: Councillor Shepherd (Chairperson) and Mr P McCourt (Director of Public Safety)

Scheme Member representatives: Mr B Johnson

Councillors Briggs and Green attended as observers.

Kevin Wilson - Executive Director of Corporate Services/Section 151 Officer and Scheme Manager; Christine Cooper - Interim Director of People and Development, David Lofthouse - Procurement Manager, Shaun Edwards - Finance Manager, Sarah Keyes - Finance Officer, Lisa Nicholson - Monitoring Officer/Secretary and Samm Campbell - Committee Manager.

The meeting was held remotely via video-conference (Zoom). The meeting commenced at 10.30a.m.

15/20 APOLOGIES FOR ABSENCE - Apologies for absence were received from Mr G Marshall.

16/20 DECLARATIONS OF INTEREST - There were no declarations of interest.

17/20 MINUTES - Resolved - That the minutes of the meeting of the Board held on 27 January 2020 be confirmed as a correct record.

18/20 MATTERS ARISING FROM THE MINUTES - There were no matters arising from the minutes.

19/20 REPORTING BREACHES - The Procurement Manager informed the Board that there had been no breaches since the meeting held on 27 January 2020.

Resolved - That the update be received.

20/20 PENSION BOARD WORKSTREAMS UPDATE - The Executive Director of Corporate Services/Section 151 Officer submitted a report setting out an update on the Board's workstreams for 2020/21.

The impact of restitution of the McCloud/Sergeant Pension Scheme dispute remained uncertain (Minute 7/20 refers) and guidance was yet to be received from the Home Office in relation to changes to the administration of the Pension Scheme.

During 2019/20, one complaint had been received in relation to the administration of the Fire Fighters' Pension Scheme (FFPS) and one had been received so far during 2020/21.

The Service had agreed a set of key performance indicators (KPIs) with West Yorkshire Pension Fund, which administrated the FFPS. The KPIs were monitored and reported monthly and data showed good performance in relation to most indicators.

The deficit in the Humberside Fire Authority Pension Fund Account 2019/20 (£12.6m) was due to be resolved in full by the Home Office in July 2020.

Resolved - That the report be received.

21/20 COVID-19 UPDATE - The Finance Officer provided the Board with an update in relation to the COVID-19 pandemic.

Annual benefit statements were due to be issued by 31 August as normal despite the COVID-19 pandemic and national lockdown. However, the Pensions Regulator had indicated that it would take the pandemic into account as a mitigating factor if annual benefits statements were delayed.

The Scheme Advisory Board (SAB) had been working with the Government to determine how pension schemes should treat the death of a member resulting from COVID-19. Associated advice was due to be issued to fire and rescue services nationally.

The recent health emergency had resulted in a number of retirees returning to work. While this would normally leave scheme members open to additional tax on their lump sums, the Government had relaxed these measures until November 2020 in order to allow recent retirees to assist in the light of COVID-19. However, pensioners could not earn more than the rate of their final salary while they returned to work.

The Board asked how COVID-19 had affected the Service's workforce. During the whole of the COVID-19 outbreak, four members of staff had tested positive for the virus and five tests had been inconclusive. The virus had not affected the Service's ability to respond to emergencies and appliance availability had increased during the pandemic.

Resolved - That the update be received.

22/20 ANNUAL BENEFIT STATEMENT UPDATE - The Finance Officer submitted a report updating the Board on the status of the annual benefit statements.

Since 2017, the Scheme Advisory Board (SAB) had conducted an annual, national survey in relation to annual benefit statements (ABS), the results of which had helped to improve the process every year since. The Service had improved every aspect of the system in the current year, with 90 percent of data having been reported on time and few queries received. The SAB's report concluded with five recommendations for pension administrators, which related to:

1. data submission;
2. meeting deadlines;
3. deferred members;
4. internal controls, and
5. administration and resources.

Resolved - That the report be received.

23/20 REMEDY AND LEGAL CLAIMS UPDATE - The Procurement Manager provided the Board with an update on ongoing legal proceedings.

As a result of the level of uncertainty and the lack of guidance in relation to the McCloud/Sergeant case (Minute 7/20 refers), the SAB had suggested that scheme administrators communicate to members to inform them that their benefits in the current year would remain unaffected but that they would be kept informed. Retirees would have the remedy applied to their pensions following the anticipated publication of Home Office.

In relation to the O'Brien RDS Modified case (Minute 8/20 refers), it was likely that on-call firefighters' FFPS membership would be backdated to cover their full length of service. This would entail a significant amount of work for FFPS administrators nationally. Following the application of the remedies, the Service would need to re-value its Pension Fund.

Resolved - That the report be received.

24/20 SCHEME ADVISORY BOARD UPDATE - The Finance Officer summarised the Local Government Association's recent Firefighters' Pension Scheme Bulletins.

The Scheme was subject to valuation every four years and the data deadline for the next valuation was 31 December 2020. This constituted a significant piece of work and was likely to affect benefits and contributions. The contribution rates from 2018/19 would continue to apply during 2020/21.

The SAB had recommended that potential changes to pension contributions and benefits arising from promotion or a change of role be highlighted to Scheme members during recruitment processes.

Resolved - That the report be received.

25/20 ANY OTHER BUSINESS – There were no items.

Meeting closed at 11.00 a.m.