

**AWDURDOD TÂN AC ACHUB CANOLBARTH A GORLLEWIN
CYMRU**



MID AND WEST WALES FIRE AND RESCUE AUTHORITY

**CYFARFOD O'R BWRDD PENSIWN LLEOL, A GYNHELIR
MEETING OF LOCAL PENSION BOARD, HELD ON**

DYDD LLUN, 14 MAWRTH 2016

MONDAY, 14 MARCH 2016

**PENCADLYS Y GWASANAETH TÂN AC ACHUB
HEOL LLWYN PISGWYDD, CAERFYRDDIN
FIRE AND RESCUE SERVICE HEADQUARTERS,
LIME GROVE AVENUE, CARMARTHEN**

11:00 – 14:50

56% presenoldeb / attendance

Presennol yn y Cyfarfod/Present at Meeting:

CADEIRYDD/CHAIRPERSON: Mr G Moore

AELODAU/MEMBERS: Cllr E Thomas, Cllr G Thomas
Mr T Dicker (RFU), Mr A Hearne (FBU),
DCFO M Crennell, I Cray.

YMDDIHEURIADAU/APOLOGIES: R Walters

YN BRESENNOL /IN ATTENDANCE: E Aitken, D Daycock, M Miles, S Flather,
S Rees, M Morgan, K Gerrard

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr R Walters.

2 DECLARATION BY MEMBERS OF ANY PERSONAL OR PREJUDICIAL INTERESTS

Councillors E Thomas and G Thomas declared that they had a personal interest in any business relating to, or affecting their own Constituent Authority.

3 CHAIR'S ANNOUNCEMENTS / PERSONAL MATTERS

There were no Chair's Announcements / Personal Matters to report.

The Chair thanked Members for their attendance and commitment to the Local Pension Board, as it was noted that their commitment to the Board was voluntary. The Chair advised Members of an issue for LGPS Boards regarding whether Board Members were covered against potential fines by The Pensions Regulator by the indemnity guarantee of the Administering Authority. As the same issue could apply to local Fire and Rescue Pension Board Members, he undertook to pass on a recent Legal Opinion to the Head of Human Resources for local consideration.

4 TO RECEIVE A PRESENTATION FROM THE SCHEME ADMINISTRATORS

Local Pension Board Members received a presentation from the Scheme Administrators at Carmarthenshire County Council, Mr Martin Morgan and Mr Kevin Gerrard.

Members were provided with an overview of the role of the Scheme Administrator.

The Chair thanked Mr Morgan and Mr Gerrard for their presentation and invited any questions from Members.

The Director of Resources reported that following the introduction of the career average pension scheme, it had been difficult to update the databases accurately as the matter had been extremely complicated with regards to providing individuals with a pension breakdown, and enquired if this matter had since been resolved. It was confirmed by Mr Gerrard that this matter had since been resolved. Mr Gerrard further confirmed that the software provider remained the same for many Local Authorities and that the costs had previously been paid in this regard.

Mr Gerrard informed Members that the GMP reconciliation updates had been provided and that the deferred Members and Pension Members were in the process of being looked at. In response to a query from the Chair, Mr Gerrard advised Members that should the exercise not be undertaken, the Fire Authority may end up with liability, and stipulated of the importance of ensuring the amounts were accurate and correct, as the HMRC may reduce the State Pension amount an individual is likely to receive should the figures not be accurate, which would have an impact on the Local Authority and Scheme Member.

The Chair queried as to what would happen should the two bodies disagree on the records; to which it was confirmed that this matter was being looked into. Mr Gerrard confirmed that the Scheme Administrator administered Pension Schemes for the Local Government Pension Scheme, Firefighters Pension Scheme and the Police Pension Scheme, and all communication with Scheme Members was done electronically. In response to a query from the Chair, it was confirmed that should Scheme Members wish to receive a paper copy they were able to request copies in that format.

Mr Gerrard responded to an enquiry made by the Chair and stated that liability would depend on the responsibility and individual circumstances. The Chair further enquired how easy it was for an organisation to leave their current Scheme Administrator to which it was confirmed that Carmarthenshire County Council had never had an organisation request to leave them as the Scheme Administrators.

The Chair questioned if fines would be incurred by the Scheme Administrator for any errors made. The Director of Resources responded and stated that there was a requirement for individual responsibilities to be provided in order to identify roles and areas of responsibility. The Head of Human Resources informed Local Pension Board Members that previously individuals have proceeded to report their complaint to the Ombudsman. Mr Gerrard specified to the Chair that the Scheme Administrator would produce a Service Level Agreement following discussions with the Director of Resources and Head of Human Resources which outlined the role and responsibilities of the Scheme Administrator and Fire Authority.

In response to a query from the Chair, Mr Gerrard stated that the Triennial Reviews would be undertaken in April, and that in order to provide accurate data evaluation it was important to receive good data in a timely manner from the Fire Authority, which was also the same for the Annual Benefit Statements. Local Pension Board Members were also informed that the Scheme Administrators had met with representatives of the Fire Authority regarding the new HR/ Payroll system.

The Chair thanked Mr Morgan and Mr Gerrard for their time and stated he felt it had been helpful and beneficial for Members. The Head of Human Resources requested a copy of the presentation in order to circulate amongst Local Pension Board Members for information.

A discussion ensued following the presentation amongst Local Pension Board Members. The Director of Resources raised concerns regarding the responsibility for errors and mistakes, to which it was agreed that this matter would be raised with the Scheme Advisory Board.

Andrew Hearne stated that it was vital to obtain correct and accurate information for the necessary interpretation by Scheme Members following the introduction of the CARE scheme, and requested further clarification to Scheme Members regarding what is pensionable. The Chair responded and stated that once the outcome of the impending Court Case had been determined the Local Pension Board would monitor the situation to ensure that the results of the outcome would be implemented

accordingly.

A discussion took place regarding the requirement to provide accurate and correct data and the importance of ensuring the Fire Authority had robust systems in place for recording data accurately. The Head of Human Resources responded and stated to Members that record keeping could be incorporated within the training provided.

The Clerk/Monitoring Officer suggested that Members provide a set of questions to the Scheme Administrator prior to receiving a presentation in order for all relevant questions to be answered as part of the presentation received. Andrew Hearne requested for a copy of the presentation to be provided to Members prior to the meeting taking place as this would allow for the questions asked to be pertinent to the presentation being presented. The Head of Human Resources advised Members that the Scheme Administrators could attend all meetings to provide updates to Local Pension Board Members.

5 MINUTES OF LAST MEETING AND MATTERS ARISING

The minutes of the meeting held on 10 December 2015 were confirmed and approved as a true record of proceedings.

The Chair made reference to GAD vs Milne and requested for all references made to be updated to state GAD vs Milne in place of Milne vs GAD. It was confirmed that this would be corrected.

The Clerk/Monitoring Officer referred Members to Page 8, item 13 and requested for the question mark to be removed after accordingly. It was confirmed that this would be updated.

The Clerk/Monitoring Officer reported to Local Pension Board Members that Councillor John Bayliss was no longer a Member of the Fire Authority, and Councillor Joe Hale had been informed of the requirement for him to no longer sit as a Member of the Local Pension Board. It was also reported that the report of the Local Pension Board would be presented at the Fire Authority meeting scheduled to take place in September.

6 TO RECEIVE A VERBAL UPDATE FROM THE SCHEME ADVISORY BOARD MEETING

The Director of Resources informed Members that there had been no meeting of the Scheme Advisory Board since the last Local Pension Board meeting, and so there was no update in this regard. The next meeting was scheduled to take place in Llandrindod Wells on Wednesday 27 April 2016 and a further update would be provided to Members following attendance.

RESOLUTION

It was **RESOLVED** to note the update from the Scheme Advisory Board meeting.

7 TRAINING –

- a) TRAINING NEEDS ANALYSIS AND TRAINING PROGRAMME**
- b) PUBLIC SERVICE TOOLKIT; CONFLICTS OF INTERESTS**

Members received training following the completion of the Training Needs Analysis at the meeting of the 10 December 2015.

A Public Service Toolkit training session regarding Conflicts of Interest was undertaken by Local Pension Board Members.

A discussion took place regarding completion of the Public Service Toolkit, which some Local Pension Board Members had completed. It was agreed that all Local Pension Board Members would complete the toolkit independently as soon as possible, particularly the modules on reporting breaches and communication as procedures relating to these topics would be presented at the next meeting.

RESOLUTION

It was **RESOLVED** that

Local Pension Board Members would complete the Public Service Toolkit modules independently as soon as possible, particularly the modules on reporting breaches and communication.

8 FORWARD WORK PROGRAMME

The Chair reported to Members that the Draft Annual Report would be presented to Members at the Local Pension Board meeting taking place in July for Members to provide their thoughts and input.

Members were informed that a policy on providing information to members and others would be presented at the meeting taking place in July, together with procedures for the reporting of breaches.

RESOLUTION

It was **RESOLVED** that the update regarding the forward work programme be noted.

9 TO CONSIDER AND AGREE THE DRAFT ANNUAL REPORT FORMAT

The Chair informed Members that the Draft Annual Report to be presented to Members of the Fire Authority and would include details on the appointment of Board Members, the number of meetings held and the attendance records, the cost of the board and an update on the progress made on Member training.

Councillor G Thomas enquired if there was a reporting requirements template for the

Draft Annual Report, to which it was confirmed by the Chair that there was no national template and that it was to be determined locally what information was to be included on the report.

The Head of Human Resources stated that the report should outline the activities of the board together with details of some of the business transacted by the Local Pension Board Members. The Head of Human Resources advised Board Members that the Terms of Reference set out what the annual report should contain and suggested this template be followed.

The Director of Resources advised Members that she felt it was important to note whether any breaches had been made and that identified methods for future improvements be reported to Members of the Fire Authority. The Clerk / Monitoring Officer suggested that it may be beneficial for the Chair to consider the report template for the Standards Committee.

RESOLUTION

It was *RESOLVED* that the discussion regarding the Draft Annual Report Format be noted.

10 TO RECEIVE A REPORT ON COMPLIANCE WITH THE PENSION REGULATORS CODE OF PRACTICE 14

The Chair and the Head of Human Resources presented a report on Compliance with the Pension Regulators Code of Practice 14.

Members were referred to Appendix 1, the Compliance Analysis where it was confirmed that a compliance analysis had been undertaken and the findings were contained within the Appendix. The Chair informed Members that following the analysis, three areas had been identified for the Scheme Manager to improve against, the areas for improvement were Governing your Scheme, Administration and Reporting Breaches of the Law.

It was confirmed to Members that the areas for improvement had been incorporated within the Forward Work Plan, with the intention of turning all of the red and orange highlighted areas to green to ensure to Local Pension Board and Fire Authority remained compliant with the Pension Regulators Code of Practice 14.

RESOLUTION

It was *RESOLVED* that the report on compliance with the Pension Regulators Code of Practice 14 be noted.

11 TO RECEIVE AN UPDATE REPORT ON THE MODIFIED PENSION SCHEME FOR RETAINED FIREFIGHTERS

The Deputy Head of Human Resources presented a report to Members on the Modified Pension Scheme for Retained Firefighters, which confirmed the current position within Mid and West Wales Fire and Rescue Service.

Members were informed that following the introduction of the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, and a successful claim through an Employment Tribunal. All eligible Retained personnel who were employed by the Service between 01 July 2000 and 05 April 2006 were identified as being eligible to join the Modified Pension Scheme. 1100 individuals had been identified as eligible to receive an expression of interest to join the Modified Pension Scheme. Of those written to, approximately 350 expressions of interest were received by the Service, with responses received from 177 personnel stating that they would be interested in joining the Modified Pension Scheme. 17 individuals opted not to join the Scheme.

It was reported to Members that all the arrangements for joining the Modified Pension Scheme were being dealt with by the Services Scheme Administrator. The Deputy Head of Human Resources was pleased to inform Members that the Service had complied with the requirements and timescales provided by Welsh Government for the Modified Pension Scheme exercise.

The Chair thanked the Deputy Head of Human Resources for the report and noted the progress made.

RESOLUTION

It was *RESOLVED* that the report on the Modified Pension Scheme for Retained Firefighters be noted.

12 TO RECEIVE A REPORT ON PUBLIC SERVICE PENSION INDEXATION & CARE SCHEME REVALUATION 2016

The Head of Human Resources introduced a report to Members on the Public Service Pension Indexation and CARE Scheme Revaluation 2016 where it was confirmed to Members that there would be no inflationary increase in the value of pensions in payment for the year 2016/17.

Members were also provided with the rate to be used for the 2015/16 annual revaluation of Career Average Revalued Earnings (CARE) benefits accrued in the 2015 Firefighters' Pension Scheme which was confirmed at a figure of 2%

RESOLUTION

It was *RESOLVED* that the report on the Public Service Pension Indexation and CARE Scheme Revaluation 2016 be noted.

The Chair thanked Members for their participation and confirmed that the next meeting was scheduled to take place on Monday 11 July 2016.
The meeting closed at 14:50.