

APPENDIX A TO REPORT APRC/19/15

Devon and Somerset Fire and Rescue Authority

Local Pension Board Annual Report 2018-19

1. Introduction

- 1.1. The purpose of this Annual Report is to provide information about the status of the Devon and Somerset Fire and Rescue Authority Local Pension Board for Scheme Members (employees and pensioners) and for the Scheme Manager (the Authority) together with a summary of issues considered in the relevant period (1 April 2018 – 31 March 2019).
- 1.2. In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, the Devon and Somerset Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes.
- 1.3. The Report includes commentary on the following:
 - A summary of the work undertaken by the Local Pension Board during 2018-19
 - Detail of areas investigated and how these areas were dealt with
 - Any conflicts of interest and how these were managed
 - Any identified risks and other areas of potential concern
 - Any expenses and costs incurred by the Board
 - Gifts and hospitality received by members of the Board
 - Training for Board members

2. Membership and meetings of the Local Pension Board

- 2.1. During 2018-19, the Local Pension Board comprised of six members as follows:

Scheme Manager Representatives:

- Mike Pearson - Chair (Director of Corporate Services)
- Amy Webb (Director of Finance)
- Councillor George Wheeler

Scheme Member Representatives:

- Bob Walker
- Andy Hallam
- Peter Redbourn

2.2. In addition to the above, the following officers support the Board and regularly attend Board meetings:

- Steve Pope (HR Manager and Delegated Scheme Manager)
- Steve Yates (Democratic Services Manager)
- Hannah Singleton (Executive Support Assistant)

2.3. In accordance with the Terms of Reference, the Board was due to meet on four occasions during 2018-19 but two meetings (July and October 2018) had to be cancelled because the quorum could not be met. To resolve the difficulties in meeting the quorum, at its meeting on 15 February 2019 the Board agreed to recommend that the Authority increase the membership of the Board from six to eight and to amend the quorum to 50% to include at least one Scheme Manager and one Scheme Member representative. The Authority agreed to these changes at its meeting on 7 June 2019.

3. Work undertaken by the Local Pension Board

3.1. The Terms of Reference of the Board were updated in April 2018 to reflect the change of the pension administrator to West Yorkshire Pension Fund and to include the new Service Core Values.

3.2. In addition, during 2018-19 the following matters were undertaken/considered:

- Review of actions log
- Reviewed and updated the self-assessment using the Pension Regulator tool in April, August and October 2018
- Completed the Pension Regulator Public Service Governance Survey
- Completed LGA Pension Survey
- LGA/Scheme Advisory Board report on Local Pension Board Effectiveness
- Attendance at the Local Government Association (LGA) Fire Pensions Annual Conference
- Individual training using the Pension Regulator e-learning modules
- Reviewed potential breaches to report/record where necessary
- Held a workshop to review development of a risk register
- Received regular updates from the Scheme Manager, Scheme Administrator and the Scheme Advisory Board
- An Internal Audit report on the Board's governance arrangements
- LPB Annual Report for 2017-18

4. Identified risks and Board actions

Risks and issues are categorised as follows:

	Action Status
	Not yet started
	In progress
	Complete

Date	Risk/Issue	Agreed Action	Status
24/01/18	Pension Board members' knowledge/understanding.	All Board members to complete the Pension Regulator's e-learning modules	
24/01/18	Risk register and procedure for assessing and managing risks	Implement risk processes and risk register	
24/01/18	Production of Voluntary Scheme Pays Policy	Policy to be produced	
24/01/18	GDPR compliance	Assurance on GDPR compliance to be provided	
09/05/18	TPR Self-assessment	LPB members to review and refresh self-assessment	
09/05/18	Assurance on Board's governance arrangements	Internal Audit report to be completed	
09/11/18	LPB work is not programmed	Production of outline forward programme of work for Board's consideration	
15/02/19	Breach of the law regarding provision of annual benefit statements.	Breach recorded and reported to the Pensions Regulator	
15/02/19	Development of key performance indicators	KPIs to reflect contract for pension administration and best practice to be developed and reported to Board	
15/02/19	Cancellation of Board meetings because inquorate	Authority recommended to increase size of Board and amend quorum	
18/02/19	Opportunity to make work of Board more visible	Board agenda, papers and minutes to be published via Modern Gov	
18/02/19	Insufficient cover and contingency arrangements for scheme manager	Scheme manager to develop proposals for greater resilience in pensions management	

5. Devon and Somerset Fire and Rescue Service Website

- 5.1. Further information regarding the Local Pension Board can be found on the Service website:

<http://www.dsfire.gov.uk/AboutUs/Pensions/index.cfm?siteCategoryId=2&T11D=193>

6. Conflicts of Interest

- 6.1. Members of the Local Pension Board are required to declare any personal, prejudicial, or conflicts of interest. Board members are asked at each meeting to declare any conflicts that may have arisen.
- 6.2. There have been no declarations made by any Board members, advisor or attendee at any meeting of the Board during the relevant period.

7. Expenses and Costs

- 7.1. Members of the Board, together with the Head of Human Resources (as day-to-day scheme manager) and a representative from the Service finance department attended the Local Government Association Fire Pensions Annual Conference in September 2018. There was no cost associated with this conference other than travel and accommodation which amounted to £1,107.30.
- 7.2. One Board member has been appointed to the Scheme Advisory Board Administration and Benchmarking Committee. The remit of the Committee is to provide guidance to the Scheme Advisory Board to assist understanding of the value and cost of appropriate administration for firefighters pensions schemes. The Committee considers how administrators can best be supported, centrally, by identifying and sharing best practice. The Board Member attended one meeting in London last year, incurring travel costs of £144.09.
- 7.3. Local Pension Board events in 2018-19 incurred, therefore, expenses and costs totalling £1,251.39.

8. Gifts and Hospitality

- 8.1. No declarations of gifts or hospitality were made by members of the Board during the relevant period.

9. Training

- 9.1. Board members have completed, or are in the process of completing, e-learning modules on the Pension Regulator's website. Details of each Board member training is published on the Service website.

10. Legislative and advisory updates

10.1. In accordance with statutory requirements, members of the Board have been provided with regular legislative updates together with updates from the Pension Regulator and the Scheme Advisory Board. The following have been provided during 2018-19:

- advice on GDPR compliance;
- information on changes to the Annual Benefit Statement;
- information on the management of risk and controls;
- information on managing conflicts of interest;
- information on the Firefighters Pension Scheme 2006 special member tax relief claims;
- Firefighters Pensions Schemes Valuations 2016; and
- Firefighters Pensions Schemes Bulletins No. 7 to 18 inclusive, setting out updates and news on a range of issues relating to Firefighters Pensions Schemes.