

Devon and Somerset Fire and Rescue Authority

Local Pension Board Annual Report 2019-20

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 2019 – 31 March 2020).
- 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 2019-20
 - 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. The Authority, at its meeting on 7 June 2019, increased the membership of the board from six to eight and amended the quorum to 50% to include at least one Scheme Manager and one Scheme Member representative.
- 2.2. The Local Pension Board is now comprised of eight members as follows:

Scheme Manager Representatives:

- Mike Pearson - Chair (Director of Corporate Services)
- Amy Webb (Director of Finance)
- Councillor George Wheeler
- Satnam Singh Rai (Independent Co-opted Member appointed 19/12/2019)

Scheme Member Representatives:

- Andy Hallam
- Peter Redbourn
- James Leslie (17/10/2019)
- Ben Redwood (17/10/2019)

2.3. Bob Walker retired from the Service on 03/09/19 and was replaced by James Leslie as a Scheme Member Representative.

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

- Steve Pope (HR Manager and Delegated Scheme Manager)
- Caroline Gourlay (HR Reward and Benefits Manager)
- Steve Yates (Democratic Services Manager)
- Lisa Etchell (Executive Support Assistant)

2.5. In accordance with the Terms of Reference, the Board met on four occasions during 2019-20.

3. Work undertaken by the Local Pension Board

3.1 During 2019-20 the following matters were undertaken/considered:

- Monitoring of actions log
- Development of Risk Register
- Development of Work Programme
- Review of Roles and Responsibilities Documentation
- Annual Training plan
- Reviewed and updated the self-assessment using the Pension Regulator tool
- Recruitment/Re-appointment of scheme members and new member induction training
- Increased Board size and changed quorum
- KPI - Performance Measures (data collection & reporting)
- Raising Data Standards - GAD request for FRAs to review member data held/ provided for valuations – not a material issue for DSFRS.
- Completed the TPR Annual Governance and Administration survey
- Completed the Scheme Advisory Board Survey
- Individual training using the Pension Regulator e-learning modules
- Received regular updates from the Scheme Manager, Scheme Administrator and the Scheme Advisory Board
- An Internal Audit report on the Board's governance arrangements
- Reviewed potential breaches to report/record where necessary
- Attendance at the LGA Fire Pensions Annual Conference
- LPB Annual Report for 2018-19

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
09/05/18	Risk register and procedure for assessing and managing risks	Implement risk processes and risk register	
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	
29/05/19	Incorrect application of abatement rules	Breach recorded and reported to the Pensions Regulator	
29/05/19	Data extraction from HR system requiring extensive manual effort	Manual extraction completed, ABS produced on time. Data now produced monthly	
19/07/19	Split Pension breach	Breach recorded and reported to the Pensions Regulator	
28/10/19	Court of Appeal decision on unlawful discrimination from Transitional arrangements for transfer from the 1992 to 2015 scheme	Case remitted to ET for remedy. Significant pension administration expected in making back-dated adjustments	
18/03/20	Cyber Attack	Review WYPF business continuity plan	

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&T1ID=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 2019. There was no cost associated with this conference other than hotel accommodation, travel and subsistence which amounted to £1170.75.

7.2. One former Board Member had 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 £257.00.

7.3. Total Local Pension Board expenditure for 2019-20 was, therefore, £1427.75.

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 2019-20:

- information on the management of risk and controls;
- information on managing conflicts of interest;
- Firefighters Pensions Schemes Bulletins No. 19 to 30 inclusive, setting out updates and news on a range of issues relating to Firefighters Pensions Schemes