

AT A MEETING of the HFRA Hampshire Firefighters' Pension Board held at the  
Fire and Police Headquarters, Eastleigh on Tuesday, 14th November, 2017

Chairman:  
\* Stew Adamson

- \* Malcolm Eastwood
- \* Richard North
- \* Councillor Roger Price  
Alex Rhodes
- \* Tom Simms

\*Present

**10. APOLOGIES FOR ABSENCE**

Apologies were received from Alex Rhodes.

**11. DECLARATIONS OF INTEREST**

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other pecuniary or non-pecuniary interests in any such matter that they might have wished to disclose.

In relation to Item 6, Richard North declared a non-pecuniary interest for the training allowances update.

**12. MINUTES OF PREVIOUS MEETING**

The minutes of the last meeting were agreed and signed by the Chairman.

**13. DEPUTATIONS**

There were no deputations.

**14. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman highlighted the recent presentation to the Board from the Local Pension Partnership, and it was noted that this would be discussed further as part of the Fire Pension Board Status report (Item 6 on the agenda).

**15. FIRE PENSION BOARD STATUS REPORT**

The Pension Board received a report from the Chief Financial Officer regarding ongoing issues (Item 6 in the Minute Book).

The report was introduced and Officers led Members through the report highlighting the development of key items. The position regarding transitional deferment with regard to auto enrolment was explained. Members noted that clarification was being sought by the LGA in relation to the position of a transitional employee who was not an eligible jobholder on 1 October 2017, but becoming such at a later date, and the possibility of backdated pension membership. It was heard that this position would be closely monitored by Officers going forward, and the necessary communications would be implemented.

Paragraphs 7-10 of the report set out the position regarding Hampshire Fire and Rescue Authority (HFRA) new recruits retaining membership of their existing pension scheme following transfer from another Fire Rescue Authority (FRA). Members heard that information regarding this was included in the new recruit induction process for HFRA new recruits, and processes were now in place to enable the Integrated Business Centre (IBC) Recruitment Team to manually send pension membership option forms to new recruits for completion. Members discussed the benefits of the pension scheme, and heard that as a result of active promotion and communication, the number of HFRA Local Government Pension Scheme Members signing up to receive their annual pension benefit statement online had increased from 13% to 25%.

The position regarding other key issues including Supreme Court Judgements and General Data Protection Regulation (GDPR) was explained. Members were content that the approach as set out in paragraphs 12-15 of the report, in relation to co-habiting partners be approved, and noted that the potentially affected cohort would be very small. The forthcoming introduction of new legislation from the GDPR was explained and it was heard that the Chief Financial Officer was working closely with the County Council as the impact of the new legislation would be far reaching. It was noted that a privacy statement would be included on pension forms as an immediate action.

Members discussed the opt out position between 2013/14 and 2017/18, as detailed in Appendix B of the report. There were some concerns over the high number of opt outs for whole-time new joiners in 2016/17 which was detailed as 25, compared to 13 in 2017/18 and Officers would re-check these figures. Members highlighted that it would be useful in future reports to include comparison figures of the number of opt in and opt outs to the pension scheme, year by year, and also a breakdown of figures by gender. A discussion ensued about gathering information to ascertain reasons for opting out, and it was noted that this could be done at the time of opting out. It was felt that it was important to also highlight the significance of employer contributions to employees at the time of opting out. In answer to a Member query, Officers would look into whether the employer would receive a refund for the 3 month period if an employee opted in and then decided to opt out of the pension scheme. It was noted that Officers would also follow up on how data captured locally was produced nationally, and Members would be updated at a future meeting.

Members heard that sessions had been held during the summer relating to Pension Accountabilities across Pension Services, IBC Pensions Administration Team and Human Resources (HR). These sessions sought to clarify the processes and responsibilities across the three departments, and Members noted that work had also been undertaken with the Customer Interaction Centre in relation to the effective handling of employee queries. The Chairman highlighted the importance of communication and discussed the possibility of creating a communications plan for the Board, which Members agreed would be a useful tool going forward. The Chairman would look to develop this with the Head of Communications, as well as investigating how best to promote pension services on the home page of the internal website. The Chairman would also look to organise a pension awareness session at a future internal Senior Management Team meeting, in order to raise awareness and ensure key messages were filtered down through teams.

Key issues relating to Annual Benefit Statements (ABS) and Annual Allowances/Lifetime Allowances were drawn to Members attention. Members noted that only a few queries were received after the 31 August 2017 deadline for ABS. The Board considered whether any additional communication would improve ABS statement awareness, and it was felt that this would be beneficial in the future, and the Chairman noted this for including in the communication plan. The position in relation to Annual Allowances/Lifetime Allowances was explained to the Board, and attention was drawn to Appendix C which presented the Pension Savings Statement letter issued for 2016/7. After consideration it was agreed that the content of the letter could be improved for greater clarity. The Board supported the proposal that seminars should be held for those that may be affected by the Annual Allowance issue, and also agreed that greater communication regarding allowance thresholds and tax implications would be useful. The possibility of incorporating information into ABS was also discussed.

In relation to Pension Board training, it was noted that Members would be invited to complete a new training needs analysis, with results to be included in a future report to the Pension Board. The situation in relation to Ill Health and Injury Pension Reviews, Pension Presentations and Employer Pension Web Pages was explained. It was also noted that the recent LGA Fire Pension Conference was well attended and represented, and attention was drawn to Paragraph 68 which detailed effects on the cost cap.

Paragraphs 47-54 set out the position around allowances and it was heard that a review of allowances was underway which was due to be completed by April 2018. Members attention was drawn to Appendices D and E which detailed the monetary value that is returned to a Firefighter by way of an Additional Pension Benefit (APB), and these figures were explained. Officers highlighted that since the review commenced, a number of issues had come to light that gave cause to question whether earlier decisions relating to Temporary Promotions were in the best interest of the membership, and were correct. It was also noted that the APB given to a Firefighter receiving a temporary pensionable allowance was not as beneficial as first thought, given that the amount of APB received is very small in comparison to the level of pension contributions paid. Members noted that last year approximately 30 Firefighters received a temporary pensionable allowance and APB.

In light of the complexities surrounding this issue, Members agreed that further work should be undertaken to review APB, with a view to present a report to a future meeting of the Standards and Governance Committee.

Members also noted the launch of the new employer pension web pages on 16 August 2017, and details of the “hits” on the website were presented in Appendix H. The Chairman highlighted that he would pick up issues around engagement and communication and publicising of the web pages with the Head of Communications. Members also discussed the recent presentation from Local Pension Partnership (LPP), and while Board Members found the presentation disappointing, it was agreed that it did provide a framework for Members to think about how things could be improved.

RESOLVED:

That the Board note the contents of the report and recommends:

- (a) That the approach to co-habiting partners, as set out in paragraphs 12-15 of the report, be approved.
- (b) That further work be undertaken to review Additional Pension Benefit as set out in paragraphs 47-54 of the report, with a view to present a report to a future meeting of the Standards and Governance Committee.

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Chairman,