

## Notice of Meeting

# Surrey Local Firefighters' Pension Board – Supplementary Agenda

**Date & time**

Thursday, 29 March  
2018 at 3.00 pm

**Place**

Surrey Fire and  
Rescue Service  
Headquarters,  
Reigate, Surrey,  
RH20EJ

**Contact**

Sharmina Ullah  
Room 122, County Hall  
Tel 02082132838

sharmina.ullah@surreycc.gov.uk

**Chief Executive**

Joanna Killian

**If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9122, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 8914, fax 020 8541 9009, or email [sharmina.ullah@surreycc.gov.uk](mailto:sharmina.ullah@surreycc.gov.uk).**

**This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Sharmina Ullah on 02082132838.**

**Employer representatives**

Nick Harrison (Employer Representative (Firefighters' Pension Scheme) (Chairman) Sally Wilson (Vice-Chairman)

**Employee representatives:**

Richard Jones (Employee Representative (Firefighter's Pension Scheme) and Glynn Parry-Jones (Employee Representative (Firefighters' Pension Scheme)

**TERMS OF REFERENCE**

The role of the Local Firefighters' Pension Board as defined in the draft Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, is to assist the Fire and Rescue Authority Scheme Manager:

a) to secure compliance with:

- i) the scheme regulations;
- ii) any other legislations relating to the governance and the administration of the Firefighters' Pension Scheme and any other connected scheme;
- iii) any requirements imposed by the Pensions Regulator in relation to the Firefighters' Pension Scheme

b) to ensure the effective and efficient governance and administration of the Firefighters' Pension Scheme

## AGENDA

### 11 ACTIONS AND RECOMMENDATIONS TRACKER

(Pages 3  
- 8)

The Board is asked to note its actions and recommendations tracker.

Attached as Annex 1 is the finance briefing requested by the Board at its meeting on 9 February 2018.

### 12 UPDATES AND FURTHER INFORMATION REQUESTED BY THE BOARD

The Local Firefighters' Pension Board is asked to review the updates and identify any further actions or issues.

At the Chairman's request the Board is asked to review the Modified Pension Scheme (2015) and make a referral to the Pensions Regulator where appropriate.

**Joanna Killian**  
**Chief Executive**

Published: Tuesday 27 March 2018

#### **MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE**

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*Thank you for your co-operation*

**SURREY LOCAL FIREFIGHTERS' PENSION BOARD  
ACTIONS AND RECOMMENDATIONS TRACKER**

The recommendations tracker allows Board Members to monitor responses, actions and outcomes against their recommendations or requests for further actions. The tracker is updated following each Board. Once an action has been completed, it will be shaded out to indicate that it will be removed from the tracker at the next meeting. The next progress check will highlight to members where actions have not been dealt with.

**Board and Officer Actions**

| <b>Date of meeting and reference</b> | <b>Item</b>   | <b>Recommendations/ Actions</b>   | <b>To</b>                 | <b>Response</b>  | <b>Progress Check On</b> |
|--------------------------------------|---|---|---------------------------|--|--------------------------|
| 26 October 2017                      | 10/17 MINUTES FROM THE PREVIOUS MEETING [Item 2]            | The Finance officer to provide the Board with a briefing outlining the process for making contribution deductions in advance of the next meeting. | Head of Pensions          | Finance briefing attached as Annex 1 at Item 11 in Supplementary agenda, 29 March 2018.                  | 28 February 2018         |
| 26 October 2017                      | 5/17 ADMINISTRATION UPDATE 1JAN 2017 – 31 AUG 2017 [Item 5] | Officers to provide the new KPI's report at the Board's next meeting.   | Pension Services Manager  | The Pensions Services Manager to ask Members of areas of focus/concerns at its meeting on 29 March 2018. | 28 February 2018         |
| 26 October 2017                      | 5/17 ADMINISTRATION UPDATE 1JAN 2017 – 31 AUG 2017 [Item 5] | The Board to receive an update report on the Contributions Holiday Exercise to report any tax return at its next meeting.                         | Pension Services Manager) | Complete -Update provided in the Admin report for 29 March 2018 meeting.                                 | 28 February 2018         |
| 26 October 2017                      | 5/17 ADMINISTRATION UPDATE 1JAN 2017 – 31 AUG 2017 [Item 5] | Officers to provide a GMP reconciliation update report for the next Board meeting.  | Pension Services Manager  | Complete - report will be provided for 29 March 2018 meeting.  | 28 February 2018         |
| 26 October 2017                      | 5/17 ADMINISTRATION UPDATE 1JAN 2017 –                      | Officers to provide a GDPR update report for the next meeting.  | Pension Services Manager  | Completed - report will be provided for 29 March 2018 meeting.   | 28 February 2018         |

Item 11

| Date of meeting and reference | Item  | Recommendations/ Actions  | To                       | Response  | Progress Check On |
|-------------------------------|---|---|--------------------------|---|-------------------|
|                               | 31 AUG 2017 [Item 5]  |   |                          |   |                   |
| 26 October 2017               | 5/17 ADMINISTRATION UPDATE 1JAN 2017 – 31 AUG 2017 [Item 5] | The Pensions Service Manager to communicate the roll out of the online portal once upgraded to enable officers and station representatives to publicise and offer guidance to firefighters. | Pension Services Manager | Complete -Update provided in the Admin report for 29 March 2018 meeting.          | 28 February 2018  |
| 26 October 2017               | 5/17 ADMINISTRATION UPDATE 1JAN 2017 – 31 AUG 2017 [Item 5] | Officers to report progress of the administration service training programme.   | Pension Services Manager | Complete -Update provided in the Admin report for 29 March 2018 meeting.          | 28 February 2018  |
| 26 October 2017               | 14/17 IDRP [Item 6]   | Officers report the breach to tPR once the Stage 2 complaint has been heard on 8 November 2017.   | Pension Services Manager | Pension Services Manager to update the Board under item 12, AOB on 29 March 2018. | 28 February 2018  |
| 26 October 2017               | 15/17 DRAFT RISK REGISTER [Item 7]                          | Officers to amend the Surrey FFPS Risk Register to include GMP reconciliation and work reform, and reassess the scores for risks F6 and F9.   | Head of Pensions         | Complete – Risk Register tabled at Item 8 of agenda for 29 March 2018 meeting.    | 28 February 2018  |
| 26 October 2017               | 16/17 ABS REVIEW 2017 [Item 8]                              | The Pensions Services Manager to report the late issuance ABS's to tPR providing the chairman a copy.   | Pension Services Manager | Completed – a letter of acknowledgement has been received from tPR, Feb 2018.     | 28 February 2018  |
| 26 October 2017               | 16/17 ABS REVIEW 2017 [Item 8]                              | Officers to explore training opportunities for the Board to develop a wider understanding of the Firefighters Pension Scheme.   | Head of Pensions         | NM to update the Board at its meeting on 29 March 2018.                           | 28 February 2018  |

| Date of meeting and reference | Item                           | Recommendations/ Actions   | To                       | Response  | Progress Check On |
|-------------------------------|--------------------------------|--|--------------------------|---|-------------------|
| 26 October 2017               | 16/17 ABS REVIEW 2017 [Item 8] | The Board recommends that a project report on the production of ABS for 2017/18 be brought to the Board's at its next meeting. | Pension Services Manager | Completed, report will be provided for 29 March 2018 meeting. | 28 February 2018  |

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## Surrey Firefighters Local Pension Board 29 March 2018

### Finance briefing: The process for making contribution deductions

#### Recommendations:

The Board is asked to **note** the content of this report.

#### Fire Pension Schemes

1. There are currently three Fire pension schemes in operation, each of which has a different Employers contribution rate.

| Fire pension schemes                         | Type of scheme | Status                | Employer's contribution rate | Comment  |
|--|----------------|-----------------------|------------------------------|--|
| Firefighters' Pension Scheme 1992 (FPS 1992) | Final salary   | Closed to new members | 21.70%                       | Closed to new members tapered transfer of existing members to new scheme depend on joining date. |
| Firefighters' Pension Scheme 2006 (FPS 2006) | Final salary   | Closed to new members | 11.90%                       | Closed to new members tapered transfer of existing members to new scheme depend on joining date. |
| Firefighters' Pension (CARE 2015)            | Career average | Open                  | 14.30%                       | Open to all staff from 1/4/2015  |

2. Employee's contribution rates are different for each scheme and vary depending upon different pay bands.

## Funding

3. These are unfunded pension schemes – i.e. current employee and employer contributions paid into the fund are used to pay for current expenditure (pensions) paid out. They are managed together as one fund.
4. Current costs out are greater than contributions paid in. The shortfall is funded by a government grant, known as a top up grant.

## Calculation of contributions.

5. Like the Local Government Pension Scheme (LGPS), Employee contributions are deducted at source from Firefighters salaries, calculated by the payroll system. The pensions and payroll department deal with the required administration behind this. Allocating members to the correct scheme, maintaining contribution rate tables etc.
6. Unlike the LGPS the Employer's contributions are not calculated by the payroll system. Instead they are manually calculated by the finance team. This is done monthly by extracting payroll transactions for each individual firefighter to calculate the required Employer contributions. To ensure the correct contribution rate is used there is a look up table that is maintained in conjunction with the Pensions team.

## Submission of Top Up grant claim

7. At the start of each financial year Surrey is provided with an initial top up grant allocation. This is based on 80% of the estimated top up grant required for the year following an earlier forecast provided. At year end an annual return is submitted. This details all of the income and expenditure against the pension fund account and claims for the remaining grant required.

## Auditing

8. The pension fund and grant claim are audited by external audit as part of the year-end audit of the Authorities accounts.

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**Sources/background papers:** NA