



## **Surrey Local Firefighters' Pension Board 1 May 2019**

### **Administration Update 1 December 2018 – 31 March 2019**

#### **Recommendation**

The Board is asked to note the content of this report and make recommendations if any further action is required.

#### **Background**

1. The terms of reference for the Board includes the duty to:

*“...help ensure that the Firefighters' Pension Scheme is managed and administered effectively and efficiently and complies with the Code of Practice on the governance and administration of public service pension schemes issued by the Pension Regulator”.*

2. In order to help the Board measure the effectiveness of the administration of the scheme, a set of administrative functions from 1 December 2018 to 31 March 2019, and an update of performance and current issues is set out below and in the attached annex.

#### **Administration Performance**

3. There are ongoing discussions between the Scheme Manager and the Service Delivery Manager as to the service level agreements in place for reporting performance. In addition, as part of the improvement of the governance and compliance monitoring of the Scheme, a calendar of events will be produced which will underpin the activities based on the Scheme Year Cycle (attached as Annex 4).
4. Details can be provided to the Board on the number of cases processed, but without agreed Service Level Agreements (LSA) in place it is difficult to report on whether these have been processed in a timely manner. The number of cases processed can be found at Annex 1.

## **Fire Bulletins**

5. The purpose of this item is to ensure that any FPS Bulletins released by LGA are reviewed and any necessary actions are noted and tracked through to completion.
6. Bulletin 18 details the 2019 Amendment Order (SI 2019/378) and states four actions for FRAs and Local Pension Boards. Firstly, that they are satisfied that the two pension rule is properly applied; secondly, that any survivor pensions in payment under these rules are identified and recalculated; thirdly, additional payments due to the estate of deceased survivor members who would have had a survivor pension under these rules are identified and paid; and, finally, any CETV calculations where the value of the survivor's pension was calculated under these rules are identified and recalculated.
7. The LGA recognise that scheme records may not be held in such a way that allows the administrator to identify such cases, and therefore a communication exercise will need to take place to all persons or relatives of such persons who may be affected.
8. Revised Fire (England) Factors relating to Pension Debit Adjustments and Pension Credits effective from 8 March 2019 have been released and the pension administration system has been updated to take account of these changes.
9. A new factsheet on Additional Pension Benefits (APBs) has been published. This has been prepared to give guidance to FRAs on APBs, and the requirement to make a discretionary determination on whether eligible payments should be treated as pensionable or not.
10. FRAs should ensure that a policy is in place on the exercise of their discretions, and that any APBs are reported to their administrator in a timely manner.

## **Staffing Updates**

11. The Service Delivery Manager is in the process of recruiting an Engagement and Education Lead, and a Communications Officer.
12. The role of the Engagement and Education Lead is to increase scheme knowledge across all stakeholders, ensure compliance with legislative changes and improve staff training to ensure sufficiently trained administration resources.
13. The Communications Officer will be responsible for increasing self-service by ensuring websites and member portals are fit for purpose and up to date. They will also ensure any documentation (standard letters/forms, newsletters, annual statements, etc.) are easy to understand and provide the required information. Furthermore, this role will be responsible for providing members

presentations/surgeries at key times in the scheme year such as the publication of Annual Benefit Statements and the issuing of Pensions Saving Statements.

### **Project Updates**

14. Annex 3 has an update on the main projects ongoing at this point in time – those being the historical Options Exercise for access to the Modified Scheme for Retained Firefighters, GMP Reconciliation and the recent issue regarding the repayment of outstanding strike contributions.
15. Under the FPS regulations, any missing contributions resulting from strike action should be repaid within six months of the strike. As Fire strike in 2013-15 was lengthy, it was agreed at the time between the Service, Pension Services and the FBU that this exercise would be done once the strike action had ended. The final strike was in February 2015, however nothing further has been done to address the outstanding contributions although arrangements have been made on an individual basis for those members retiring to repay their contributions to ensure they suffered no detriment to their pension entitlement. The Service is currently in discussion with Pension Services to obtain the information in order for the option to repay missing contributions can be given to all current members. The Pension Board members and key stakeholders, as set out in fire pension scheme policy and procedures, have been made aware of this breach and have agreed that this will be reported to tPR.

### **Breaches/IDRPs/Complaints**

16. The response to the Stage 2 IDRPs for a beneficiary was sent on 4 March 2019 (see Annex 2). A further compensation payment of £500 was made.

### **Summary**

17. The Board is asked to note the update provided/actions required and to advise if any further reporting will assist the Board in the monitoring of administration performance.

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### **Sources/background papers:**

Surrey Local Pension Board Terms of Reference

### **Annexes:**

Annex 1 – Caseload information

Annex 2 (Part 2) – IDRPs Stage 2 response to a beneficiary

Annex 3 – Project Updates

Annex 3b – Modified Scheme Highlight Report

Annex 4 – Scheme Year Cycle