

Official

South West Regional Police Pensions Board

Thursday 10 September 2020 at 10:00am

Virtual meeting held via Microsoft Teams

Attendance

Ian Pollitt (Independent Chair)

Esther Lee (Minute Taker)

Member Representatives

Robin Hobbs (National Association of Retired Police Officers) (from 02/20/23)

Paul O'Brien (National Association of Retired Police Officers)

Peter Land, (Avon and Somerset, Federation) (from 02/20/26)

Employer Representatives

Richard Hicks (Professional Advisor, Devon and Cornwall & Dorset)

Sandy Goscomb (Devon and Cornwall)

Peter Skelton (Gloucestershire)

Steve Mackenzie (Dorset)

Nick Adams (Avon and Somerset)

Sarah Holbrook (Wiltshire)

Guests

Emma Davies (Peninsula) (for 02/20/24 only)

Graeme Hall (XPS) (for 02/20/24 only)

Apologies

Lisa Adams (Gloucestershire, Employer rep)

Clive Barker (Wiltshire, Employer rep)

Anthony Hart (Devon and Cornwall

Jim Purkiss (Devon and Cornwall

Superintendents Association)

Federation)

Jon Stratford (Gloucestershire, Chief Police Officers

Staff Association)

02/20/17 Introductions and Apologies, Declarations Conflict of Interest, [FOIA open]

The Chair opened the meeting, welcoming members and confirmed that due to late apologies provided, the meeting would again not be quorate.

Members were reminded of the importance of identifying a substitute representative who would be able to attend in their absence to ensure the meeting remained quorate. Ian Pollitt agreed to write to all members to remind them of their obligation. With meetings now becoming increasingly online events with no requirement to travel that should be very achievable.

For action by:

Ian Pollitt

Action discharged

A question was raised with the Chair regarding future meetings and the principle that they should continue to be virtual due to the geographical spread of members causing travel time and cost to be a consideration.

The benefits of meeting in person were discussed, team dynamics being a consideration when new members joined. However, it was acknowledged that for the foreseeable future, meetings

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would be organised via Teams and the matter could be revisited in the future as COVID restrictions eased which may bring about a compromise of those who were able to travel would meet at an agreed location with those who otherwise would have had to decline the invitation joining virtually. It was acknowledged that events nationally and any restrictions or best practice may be the overarching factors going forward.

02/20/18 Minutes from the last meeting held on 2 July 2020 [FOIA Open]

The draft minutes from the meeting held on 2 July 2020 were agreed as a true and accurate record.

02/20/19 Action Log [FOIA open]

The Chair presented the action log, highlighting the following updates:

- a. Action 60 - NPCC Pension Adviser (previous reference 16)**
Action to remain open for future updates.
- b. Action 89 - Annual Benefit Statements (previous reference 01/19/09b)**
Benefits statements were confirmed as being online and discussed in detail at minute reference 02/20/24.
- c. Action 96 - TPR Survey Results (previous reference 01/19/13)**
The Chair closed the action at the meeting with an expectation that members would share their future self-completed surveys.
Action closed
- d. Action 97 - Online Portal Usage – Annual reminders from Pension providers (previous reference 01/20/03)**
Action discussed at minute reference 02/20/24
Action closed
- e. Action 98 – Training knowledge of Board members (previous reference 01/20/04)**
Action discussed at minute reference 02/20/20
Action closed
- f. Action 99 - Regional Pension Scheme Administration - Performance - KPI performance - Transfer in (previous reference 01/20/07a)**
It was recognised that the reports showed high levels of performance and would be discussed at minute reference 02/20/24
Action closed
- g. Action 100 - Regional Pension Scheme Administration - Performance - Accessibility Regulations review (previous reference 01/20/07c)**
Action update required from Peninsula
Action to remain open
- h. Action 101 - Regional Pension Scheme Administration - Performance - Summary of GMP Reconciliation Process (previous reference 01/20/07d)**

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A comprehensive document had been received by members which provided an update on the process and the action was also discussed at minute reference 02/20/24.

Action closed

i. Action 102 - Government Changes to Pensions - Judges and Firefighters (previous reference 01/20/08)

The consultation document had been shared with the Chair and the action was complete with a further update provided at minute reference 02/20/26.

Action closed

j. Action 103 - Update review of Risk Register (previous reference 01/20/09)

Action discussed at minute reference 02/20/23

Action closed

k. Action 104 – Preparation of Annual Report (previous reference 01/20/09)

The report had been completed. Richard Hicks would check it had been published on the Pension Board website.

Action to remain open

02/20/20 Training / Knowledge of Board Members [FOIA Open]

The Chair confirmed to members that there were no new updates or requirements in relation to training.

The Pension Regulator was yet to update their site however any future expectations would be shared with members.

A request was made that the Members Training Record was updated to show Robin Hobbs training attendance mirrored that of Paul O'Brien's.

For action by: Esther Lee

Action discharged

02/20/21 The Pension Regulator [FOIA Open]

Ian Pollitt confirmed that as a standing agenda item it provided an opportunity for members to highlight any issues they considered worthy of reporting to the Regulator; however no new issues were reported at the meeting.

Legacy issues relating to the previous pension administrator remained the main area of activity with a small number of outstanding complaints being dealt with. It was recognised that due to the protracted processes connected to submissions to the Ombudsman, some cases could take up to 18 months to resolve. Therefore, and given that many Forces looked to investigate disputes in-house, it was recognised that for a fully accurate picture of complaints more information was required in the quarterly reports and close liaison with XPS/Peninsula was required.

For action by: Richard Hicks

An example of previous poor administration resulting in several complaints was Pension Sharing Orders not being correctly implemented. The Board was reassured that the current provider, XPS, had superior processes in place which ensured that multiple checks were undertaken prior to members leaving the service, safeguarding data quality and correct payments were made.

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02/20/22 Pension Compliance and Performance Group [FOIA open]

Members were informed that the Group continued to meet separate to the Quarterly Pension Board and centred its activity on tactical delivery, ensuring provider performance was monitored and maintained.

Eyan Naylor (Procurement & Contracts) continued to be very supportive of the Group but was currently absent from work and therefore unable to complete his usual quarterly update. In Eyan's absence Richard Hicks would lead and make all practical arrangements for continuity.

The Board wished Eyan a speedy recovery and looked forward to him re-joining the meeting in the future.

02/20/23 Update Review of Risk Register [FOIA Open]

The Chair introduced the updated Risk Register to members and asked for feedback on the overall content and if the risks were pitched at the right level with regard to risk level/likelihood.

For action by: **All members**

Overall the feeling was that cyber threats should remain red as the Pensions Regulator considered it an area of ongoing high risk and by showing it on the register ensured that it was raised with the Pension Administrators regularly in discussions.

A request was made to consider adding a risk in relation to *Correctness of Pension Payments* which was agreed by the Board

For action by: **Ian Pollitt and Richard Hicks**

Action discharged

Discussion was held regarding the potential to use the risk register as a lens to examine providers current methods of ensuring data integrity and correctness of Pension Payments, and would therefore be raised during the discussion with providers at minute reference 02/20/24. Whilst it was accepted that it was for the providers to offer reassurance to the Board, it was agreed that the Finance Directors would consider commissioning an audit relating to Accuracy of Pension Payments through the South West Audit Team, using the Risk Register content to inform the scope. **[FOIA closed s.33]**

For action by: **Finance Directors**

A specific action was raised for Providers to supply a written update to the Board regarding their current methods of checking for accuracy of Pension Payments and Penetration Testing of their cyber security. Once received the Chair of the Board would share any lessons learnt with other regional pension boards.

For action by: **XPS and Peninsula & Ian Pollitt**

An observation was made that the risk relating to membership attendance should be raised to red as for the second successive time the meeting was not quorate.

For action by: **Ian Pollitt and Richard Hicks**

Action discharged

The risk relating to the GMP reconciliation appeared to centre on costs to rectify rather than providing assurance that it was being completed as the Board was still unsighted on the effect on

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members. The Board agreed that the risk would be rewritten to focus on why the risk appears and not on the costs involved.

For action by:

Ian Pollitt and Richard Hicks

Action discharged

Robin Hobbs (NARPO) joined the meeting

A question was raised regarding the structure of the Register as it the column headed "impact" appeared to centre on *more or less likely* rather than *least to greatest impact*. The Board were reassured that the Register followed the template provided by the Pension Regulator but could be revisited if the Board felt it was not fit for purpose.

02/20/24 Regional Pension Scheme Administration - Performance [FOIA open]

Both Scheme Administrators reports were briefly discussed by the Board prior to them joining the meeting; there was appreciation of the level of data and overall positive delivery figures presented.

Richard Hicks introduced Peninsula Pensions report with continued concern voiced regarding the number of officers who had opted out. Comment was passed that there was confidence in the integrity of the figures which had not been felt in the past however a more detailed breakdown of ages/years of service/rank of officers would be helpful to try to understand any patterns or ways of improving scheme membership as well as ensuring that officers understood the consequences of their decision.

For action by:

Peninsula Pensions

Emma Davies joined the meeting and was thanked by the Board for an excellent report, the content of which was noted.

The Board were informed that they had, as an organisation embraced home working, resulting in a rise in productivity and continued to run smoothly as a method of delivery.

Members continued to embrace the Self Service site, contact forms had received positive feedback and assisted in information gathering as they linked to member's accounts as standard.

The question of Accuracy of Pension Payments was raised by the Board with confirmation that:

- At point of crystallisation the initial payment was checked, i.e. who, when, amount and payroll record.
- The pension increase awards were a bulk programme but a consistency check took place to ensure the transfer was completed correctly.
- Reconciliation was undertaken on a monthly basis.
- External annual audits were also completed and pension payment accuracy was considered high on the priority list of areas covered.

Peninsula Pension would provide a written update in their next quarterly report clarifying their internal checks to ensure Accuracy of Pension Payments.

For action by:

Peninsula Pensions

An internal inconsistency was raised within the report in relation to the number of member self-service users with confirmation that it was nearer 40% than 30%.

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The previous discussion regarding penetration testing of cyber systems was raised by the Board with confirmation that internal testing was completed and further data would be brought to the next meeting in relation to external testing.

For action by:

Peninsula Pensions

Emma Davis left the meeting.

Ian Pollitt introduced the XPS report, confirming no complaints had been raised with high levels of KPI compliance. Core data appeared to have improved and was seen as positive.

Graeme Hall joined the meeting and was thanked by the Board for the two comprehensive reports surrounding GMP Reconciliation and Quarterly Performance, the contents of which was noted.

The following areas of note were raised with the Board:

- Home working had been tested by the organisation prior to lockdown so they were able to move quickly, with confidence, providing a consistent service throughout the pandemic.
- Cover in the office had been maintained, ensuring that any hard copy correspondence was dealt with effectively however it was recognised that most members had moved to email, which assisted the smooth delivery of service.
- Initially during lockdown calls dropped away but were now back to pre-lockdown levels.
- Ill Health retirements and basic retirements remained the highest areas of activity.
- Statistics around member self-service use remained good with an updated version containing additional functionality expected in the autumn.
- Self Service had been opened to deferred members with limited access.
- Pension increase error activity – a legacy matter from a past Administrator - had been completed, with small numbers of outstanding queries in relation to Gloucestershire.

Current rates of active members registering on-line remained at 60% which was considered low but in fact reflected the national average as experienced by XPS and other Forces. 2020 Annual Benefit Statements as a process had been completed and a report would be provided illustrating the current rates of active use of members self-service and who had accessed their record in the weeks following the statements being published. To be forwarded to Richard Hicks for onward transmission to members by mid-October 2020.

For action by:

XPS and Richard Hicks

The previous discussion regarding penetration testing of cyber systems was raised by the Board with confirmation that Cyber Essentials Plus would be implemented by the end of September 2020 and the Board would be informed when in place. Haywood's provided external penetration testing which complimented the internal processes in place.

The question of Accuracy of Pension Payments was raised by the Board with confirmation that:

- Random checks were performed on pension payments, lump sums and transfers;
- Monthly pension checks were in place and ensured that 1/12 of payment was being made.

A summary of both areas of activity would be provided to Richard Hicks to share with Finance Directors prior to the next meeting. (penetration testing and accuracy of pension payments).

For action by:

XPS and Richard Hicks

The recent XPS information bulletin 'In the Loop' was raised for the Board's attention and focussed on the McCloud judgment and implications regards requirements under 'Pension Remedy' concerning officers suffering Immediate Detriment. Those who retired under the Ill

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Health process had been identified as part of that group and there was a desire to understand what XPS required to be able to action the legislation.

Whilst the Home Office had communicated their expectation it was confirmed there were a number of outstanding questions regarding the process which had to be established prior to any action being taken.

Forces need to touch in with providers when they became aware of officers who matched the criteria but would not be able to provide reassurance of an early resolution until guidance was received.

The Board confirmed that training/education events such as pre-retirement had been well received and there was a desire for future events to continue, albeit now via online facilities in a similar if virtual way. A request was made for the education events surrounding pensions and taxation awareness (e.g. for those who had received a Pension Savings Statement) to be organised in the new format; the avoidance of a need for physical attendance/travel were seen as major incentives to boost engagement. Richard Hicks agreed to liaise closely with XPS to agree some dates in November 2020.

For action by:

Richard Hicks

IDRP complaints were raised within the report with a request that in future they were broken down into the following areas to allow a more comprehensive picture per quarter:

- 'New/active' within the past quarter
- 'Live and unresolved'
- 'Closed'

For action by:

XPS and Richard Hicks

Evans Ashcroft figures were raised for the attention of the Board with the following activity noted:

- Devon and Cornwall - 51 calculations
- Dorset - 28 calculations
- Gloucestershire - 16 calculations
- Wiltshire - 6 calculations

Outstanding calculations would be undertaken in the coming months and contact would be made with Forces as required. A common communication exercise would then be developed to notify affected members.

Graeme Hall left the meeting.

02/20/25 Formal Complaints [FOIA open]

No new formal complaints had been raised to the Board with historical issues being dealt with through the agreed channels.

02/20/26 Update on McCloud Remedy Consultation [FOIA open]

Sandy Goscomb introduced a briefing paper regarding the McCloud remedy process, consultation and next steps, highlighting the following areas to the Board:

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- The formal Treasury consultation would close on 11 October 2020 and provided an opportunity for forces to provide structured feedback on the proposals;
- The police were one of the smaller but most complicated pension areas within the consultation;
- Forces feedback looked to focus on feasibility and complexity rather than fairness;
- The hope was to minimise distress and time it took to implement remedy on behalf of member by reducing unnecessary choice;
- Remedy would impact forces financially in 2023/24 and be linked to the re-evaluation of the scheme;
- There was an expectation that member contribution levels would change as part of the process;
- One of the biggest consultation questions remained immediate versus deferred implementation;
- Pension Administrators were linking together nationally;
- There was no suggestion that different providers would implement at different times;
- Currently no providers had software in place to make the necessary calculations;
- Nick Adams led for A&S with Sandy Goscomb leading for the other four regional forces due to differences in pension provider.

Peter Land (Federation) joined the meeting.

The question was raised regarding the need for NARPO members to be contacted regarding the ongoing Remedy action and the Board agreed that communications should be instigated by the Home Office, SAB or NPCC. Ian Pollitt agreed to raise the question of NARPO member' communication at an upcoming meeting with Kevin Courtney (NPCC Pensions advisor)

For action by: Ian Pollitt

Action discharged

Pension Remedy would remain a standing agenda item for the Board moving forward.

For action by: Esther Lee

Action discharged.

02/20/27 Update from Chair [FOIA open]

A brief verbal update was provided by the chair with the following points highlighted:

- The minimum pension age (under 'pensions freedoms') would rise in 2028 from 55 to 57 and coincided with the rise in state minimum pension age which would rise from 66 to 67 ;
- The pensions media has suggested that as part of the Autumn Budget the Chancellor was considering revisiting Pension Tax Relief with a possible common rate;

02/20/28 Summary of actions going forward [FOIA open]

Esther Lee provided members with a verbal precis of the new actions assigned during the meeting which would be consolidated into an updated Action Log.

Date, Time and Location of Next Meeting

Thursday 17 December 2020 in Heavitree Meeting Room – Middlemoor HQ, Exeter at 10am *or virtually depending on COVID pandemic advice.*

Agreed

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