

# South West Region - Police Pensions Board

Thursday, 18 October 2018

10am

Avon Room, Avon & Somerset Police HQ, Portishead, Bristol BH20 8QJ

## Minutes

### Present:

Ian Pollitt CBE (Chair) IP

### Member Representatives:

Superintendent Antony Hart, Devon & Cornwall (Supt Assoc) AH  
Sergeant Steve Gardner, Devon & Cornwall (Police Federation) SG  
Sergeant Peter Land, Avon & Somerset (Police Federation) PL  
Paul O'Brien, NARPO PoB  
Robin Hobbs, NARPO RHo  
ACC Sharon Taylor, Devon & Cornwall (CPOSA) ST

### Employer Representatives:

John Jones, Assistant Chief Officer, Dorset Police JJ  
Richard Hicks, Dorset Police RHi  
Sandy Goscomb, Director of Finance & Resources, Devon & Cornwall SG  
Nick Adams, Director of Resources, Avon & Somerset NA  
Clive Barker, Assistant Chief Officer, Wiltshire CB  
Sarah Holbrook, Wiltshire Police SH  
Lisa Adams, Gloucestershire Police LA

### In Attendance:


Eyan Naylor, Category Manager, SW Police Procurement Department EN  
Julie Taylor, Dorset Police (Minutes)

### ITEM 1: APOLOGIES

Peter Skelton, Chief Finance Officer, Gloucestershire Police

### ITEM 2: INTRODUCTIONS

IP welcomed everyone and introductions were made.

  
IAN POLLITT  
07 Feb 19

### **ITEM 3: CONFLICTS OF INTEREST**

No conflicts of interest were raised.

### **ITEM 4: MINUTES OF THE LAST MEETING AND ACTIONS ARISING**

The minutes of the meeting held on 19 July 2018 were agreed.

The actions were covered off on the action matrix.

IP asked Force Directors of Finance to provide the following information:

- Number of officers on Force establishment
- Number of officers paying into a pension scheme

in order to determine the opt out rate. **ACTION: Directors of Finance**

### **ITEM 5: TRAINING/KNOWLEDGE OF BOARD MEMBERS**

All members were asked to provide any updates on training undertaken to ensure the training matrix was accurately maintained. **ACTION: All**

### **ITEM 6: THE PENSION REGULATOR – ANY ISSUES TO REVIEW**

No issues raised.

### **ITEM 7: PENSIONS COMPLIANCE AND PERFORMANCE GROUP**

The last meeting was held on 3 October 2018.

- KPIs are being met.
- Kier will provide EN with access to their workflow system which will enable him to monitor how members' queries are being processed from receipt to completion and the timescales involved.
- Queries raised over number of active members in Gloucestershire. Matter to be raised with Kier rep later in the meeting.
- Novation process in relation to the move from Kier to XPS progressing, due diligence process being undertaken. New branding will come into effect from 1 November 2018.

### **ITEM 8: REGIONAL PENSIONS SCHEME ADMINISTRATION – PERFORMANCE**

#### **Kier Performance Pack**

- IP queried the numbers contained within the Complaints section. RH highlighted that certainly for Dorset and Devon & Cornwall the number of complaints was understated. The system for recording these was presently under review with Kier/XPS as some IDRP's were initiated 'in-force' and some were sent/recorded direct to Kier/XPS acting as a 'post box'. The numbers need to be reviewed jointly prior to performance pack

production and an agreed monitoring mechanism put in place. **ACTION: Richard Hicks/XPS**

- RH advised one area which kept coming to notice was in relation to pension sharing orders not being enacted. There was a need to ensure officers go on line to check their details and advise of any such orders in place.
- A query was raised in relation to whether the indicators set and reported against were in fact the correct ones owing to the number of occasions Kier were reporting 100% against actual performance achieved, though the general feeling was that Kier was doing a good job.

## **Peninsula**

Shirley Cuthbert joined the meeting via telephone.

- Annual Benefits Statements (which included section on Annual Allowance) had been sent out on time. Those officers who incurred a tax charge have received a letter setting out scheme pays options. 60 officers exceeded AA with 21 incurring a tax charge.
- With the assistance of Robert May, Benefit Team Manager, the organisation is looking to improve the Team's knowledge on police pensions to enable better resilience.
- Introduction of member self-service facility is progressing, though some issues need addressing before it can be rolled out to officers. The plan will be to enable officers to access their ABS online by August 2019.
- GMP reconciliation – 74% match; there were a number of outstanding queries being worked through, but the organisation was on track to complete the exercise in the timescale set.
- Transfer Value In (showing RED at 75%) – the Chair enquired if this was still an area of concern. He was advised that this was more to do with the manner in which the organisation's task management system was used. Some delays were being experienced obtaining information from other organisations which then ate into the ten working days target to complete the task. They would consider whether the ten working days was a realistic target.
- IP requested the number of officers in Avon & Somerset making contributions to a scheme in order that the opt out rate could be determined and monitored by the Board.  
**ACTION: Shirley Cuthbert**

IP thanked Shirley for her time and there being no further questions she left the meeting.

## **Kier**

Graeme Hall joined the meeting via telephone:

- Advised Kier were reviewing the number of active members recorded for Gloucestershire. IP welcomed this as the matter had been raised earlier in the meeting.
- Working with Forces to obtain better information in relation to opt out numbers.
- During Quarter 2, two complaints had been raised which were in the process of being dealt with; one related to final options being different to previous estimates on

- commutation payment; one related to an overpayment being discovered in benefits in payment due to incorrect pension increase being applied in a previous year.
- GDPR – there needs to be improved communication between the Forces and Kier to ensure accurate records are maintained. RH stated Forces were aware and steps were being put in place to ensure Kier to were kept informed as necessary.
  - Definition sought for 'Total Fails'; GH explained how Kier quantified this, eg NI not in correct format. He stated this was a useful mechanism for highlighting when further checks were required to ensure accuracy of data.
  - The Board requested that explanatory notes be included in the performance pack to add context to the figures shown. GH undertook to make sure this was done for future reports. **ACTION: Graeme Hall**
  - JJ stated he would be interested in how many errors/data omissions/correction took place. IP suggested this was taken off line and looked at through the weekly conference calls and for the Board to be provided with a summary. **ACTION: Richard Hicks**
  - GMP reconciliation – on track to be completed in the timescale set.
  - Voluntary Scheme Pays – working on guidance. GH advised Kier looked at rank ie Inspector and above when determining who was affected. IP suggested it may also be useful to consider level of salary as he was aware there were some officers of a lower rank who were earning a high salary as a result of the role they undertook. GH took note.
  - ABS – following errors in relation to the CARE (Career Average Revalued Earning) element of members' pension accrual for 2015 scheme members only, all errors have now been corrected.
  - ESA – owing to a rule change, Kier have identified and contacted scheme members who are in receipt of an injury award to ensure they were still entitled to receive it and making corrections where required.
  - At the July Board meeting discussion took place in relation to the 2017 pension increase being applied incorrectly and that work was being undertaken by Kier to determine the number of pensioners affected. In answer to IP's question on progression, GH advised work was still ongoing, but he anticipated being in a position to know the numbers affected and the plan of action going forward by the end of the year/beginning of next year.
  - The Pension Regulator return – Forces believed that Kier was dealing with this on their behalf. RH to obtain an update at the weekly conference call. **ACTION: Richard Hicks**
  - Saving Statements – GH to provide an update in relation to this. **ACTION: Graeme Hall**
  - IP requested an update on how many officers took advantage of scheme pays arrangements. GH to provide this for the next meeting. **ACTION: Graeme Hall**
  - Transfer of Kier to XPS – comms would be sent to all scheme members to explain what would be happening. GH confirmed there would be no change to the team who dealt with police pensions. He advised there would be a transfer of the admin system in due course but that Forces would be kept up to date on what will be happening and when.

IP thanked Graeme for his time and there being no further questions he left the meeting.

In respect of the novation process in relation to the move from Kier to XPS, EN was asked to keep Directors of Finance updated. **ACTION: Eyan Naylor**

## **ITEM 9 – PAYMENTS TO CAPITA**

Discussion took place, the outcome being agreement that a formal claim should be formulated against Capita in respect of their complete failure of service and taking into account the additional work Forces have had to undertake to correct errors and liabilities arising from those errors.

RH undertook to draft a collective claim on behalf of Dorset, Devon & Cornwall, Gloucestershire and Wiltshire in liaison with EN (from a contracts aspect) and circulate for comment. **ACTON: Richard Hicks/Eyan Naylor**

## **ITEM 10 – SCHEME VALUATION UPDATE**

HM Treasury undertook a valuation of public service pension schemes, the outcome of which was published in September 2018.

Further details were awaited however IP advised there was an early indication there would be an increase in costs for employers. Forces to be aware.

## **ITEM 11 – GMP RECONCILIATION**

Discussed earlier in the meeting with both Pension Administrators who indicated they were on track to complete the exercise within the timeframe set.

## **ITEM 12 – VOLUNTARY SCHEME PAYS**

Voluntary Scheme Pays had now been consolidated into the Police and Firefighters' Pension Schemes (Amendment) Regulations 2018 and became law with effect from 6 October 2018.

## **ITEM 13 - ANNUAL REPORT**

IP advised he had drafted an annual report and once he had received the information from the Directors of Finance in relation to the number of officers on establishment and the number of those paying into a scheme he would include this.

It was his intention to send a copy to each SW Region Chief Constable, as Scheme Manager, for their information.

The report will be published on the SW Police Pension website in due course.

## **ITEM 14 – BUDGET**

JJ recapped what had been considered and agreed 12 months ago in relation to the budget for the SW Police Pension Board. He had raised it again for an annual review, his proposal being a continuation of the same arrangements for the next 12 months. This was agreed.

**ACTION: John Jones**

## ITEM 15 – TAX IMPLICATIONS AND ANNUAL ALLOWANCE

JJ proposed, subject to the Board's agreement, producing a specification for the provision of awareness seminars for those officers affected, or could be affected, to enable them to gain an understanding of any implications pertinent to them.

All agreed this would be a good idea but with the following caveats: [1] there would be no financial liability on the Forces in providing such seminars; and [2] not engaging with organisations who may have a product to sell in this arena.

EN undertook to check the current contract to see what training provision was included.

RH and EN to take forward. **ACTION: Richard Hicks/Eyan Naylor**

## ITEM 16 – REVIEW OF RISK REGISTER

The following amendments were proposed:

Scoring on items 1,2,3 to be reviewed to reflect progress made; however the risk to still remain RED.

Business Continuity Plan ) IP to amend scoring  
Administration – lack of readiness for GDPR )

Amendments will be made and the Risk Register circulated with the minutes.

**ACTION: Julie Taylor**

## ITEM 17 – ANY OTHER BUSINESS

None raised.

## ITEM 18 – SUMMARY OF ACTIONS

- (i) IP asked Directors of Finance to provide the following information: Number of officers on Force establishment/Number of officers paying into a pension scheme in order to determine the opt out rate. **ACTION: Directors of Finance**
- (ii) All members to provide any updates on training undertaken to ensure the training matrix was accurately maintained. **ACTION: All**
- (iii) Complaints - numbers need to be reviewed jointly prior to performance pack production and an agreed monitoring mechanism put in place.  
**ACTION: Richard Hicks/XPS**
- (iv) IP requested the number of officers in Avon & Somerset making contributions to a scheme in order that the opt out rate could be determined and monitored by the Board.  
**ACTION: Shirley Cuthbert**

- (v) Explanatory notes be included in the Kier performance pack to add context to the figures shown. GH undertook to make sure this was done for future reports.  
**ACTION: Graeme Hall**
- (vi) JJ stated he would be interested in how many errors/data omissions/correction took place. IP suggested this was taken off line and looked at through the weekly conference calls and for the Board to be provided with a summary. **ACTION: Richard Hicks**
- (vii) The Pension Regulator return – Forces believed that Kier was dealing with this on their behalf; RH to obtain an update at the weekly conference call. **ACTION: Richard Hicks**
- (viii) Saving Statements – GH to provide an update in relation to this.  
**ACTION: Graeme Hall**
- (ix) GH to provide an update on how many officers took advantage of scheme pays arrangements for the next meeting. **ACTION: Graeme Hall**
- (x) EN to ensure Directors of Finance were kept updated in relation to the novation process for the move from Kier to XPS. **ACTION: Eyan Naylor**
- (xi) Payment to Capita - a collective claim to be drafted on behalf of Dorset, Devon & Cornwall, Gloucestershire and Wiltshire in liaison with EN (from a contracts aspect) and circulated for comment. **ACTION: Richard Hicks/Eyan Naylor**
- (xii) Budget for the SW Police Pension Board to continue with the same arrangements for the next 12 months. **ACTION: John Jones**
- (xiii) A specification to be drawn up for the provision of tax implications/annual allowance awareness seminars. **ACTION: Richard Hicks/Eyan Naylor**
- (xiv) Risk Register to be amended and circulated with the minutes. **ACTION: Julie Taylor**

#### **ITEM 19 – DATES FOR 2019**

To be confirmed

#### **Afternoon:**

There followed a presentation by Mairi, Spiby, Stakeholder Manager, The Pensions Ombudsman