

Meeting of the Board 10 December 2020

## Firefighters' Scheme Advisory Board (England) 2020/2021 workplan

### Summary

1. In order to discharge its statutory functions, the work plan of the Scheme Advisory Board is to:
  - Support and advise local pension boards
  - Strategically lead Fire Pension Scheme communications
  - Improve scheme administration
  - Ensure cost effectiveness of scheme administration
  - Advise on how to reduce of costs of scheme administration
  
2. To date the workplan has not been set out in a formalised document, that sets out the Board's workplan in terms of actions, rather this is a series of agreed items at SAB meetings<sup>1</sup> that the Board wish to achieve, or it is led by their statutory responsibilities such as providing guidance to Local Pension Boards and scheme managers.
  - a. Board action summary -  
<http://www.fpsboard.org/images/PDF/Meetings/11062020/SAB-action-summary-110620.pdf>
  - b. Board action summary update -  
<http://www.fpsboard.org/images/PDF/Meetings/11062020/Paper-5-Item-7-3-Update-on-action-summary.pdf>
  - c. Administration and benchmarking actions update -  
<http://www.fpsboard.org/images/PDF/Meetings/11062020/Paper-6-Item-7-4-Administration-and-benchmarking-update.pdf>

### For discussion

3. In order to develop a workplan the Board are asked to consider two documents,
4. The first being the revised risk register. This risk register has been drafted following an outstanding action, to re-draft the register so that it more accurately reflects direct risks to the Board and accurately reflects the controls and mitigations in place to reduce the risk.

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<sup>1</sup> <http://www.fpsboard.org/index.php/board-page/board-meetings-restricted>

5. The second document to consider is the final [TPR Governance and Administration survey](#). The specific results for the Firefighters' Scheme can be found in slides 28 to 40 of the [Local Pension Board Wrap Up Training sessions](#) run in June and July 2020.
6. The Firefighters' scheme is noted in several places to have the lowest results, these were;
  - a. Lowest proportion of schemes to have all six TPR processes in place (55 per cent)
  - b. Least likely to have four or more pension board meetings in place (31 per cent had)
  - c. Less likely to have comprehensive risk management processes (Only 20 per cent regularly reviewed risk exposure)
  - d. Least likely to have an administration strategy in place (57 per cent)
  - e. Second least likely to have completed a data review in previous 12 months (88 per cent compared to 82 per cent for Police)
  - f. Least likely to have a process for resolving contribution payment issues (82 per cent)
7. The McCloud judgment was identified as a top barrier<sup>2</sup> (51 per cent) to improving governance and administration. This was rated at 91 per cent amongst the centrally administrated schemes, and at 60 per cent by Police and 24 per cent by LGPS.
8. The Firefighters' scheme was more likely to cite time issues (22 per cent) and resource issues 16 per cent as a barrier to automating the scheme processes.
9. The mean per cent of employers that provided timely, accurate and complete data fell for the Firefighters' scheme, which is a disappointing for a single employer scheme. Only 76 per cent submitted data monthly and electronically, albeit it was noted this had risen since 2018.
10. Firefighters' schemes were less positive about perceptions of TPR than other schemes, which might indicate a lack of interaction / understanding with TPR for the Fire schemes.
11. More complaints entered the IDR system than other schemes, but fewer were upheld. Ill-health eligibility was the most common type of complaint.
12. The proportion of schemes reporting that their scheme manager and pension board had sufficient time and resources and had access to knowledge, understanding and skills had not changed between 2018 and 2019. This was 88 per cent and 98 per cent respectively for the Firefighters scheme. 86 per cent of boards reviewed this annually, which was an increase from the 2018 survey results.

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<sup>2</sup> Slide 38 - <http://www.fpsregs.org/images/Events/LPB-wrap-up-2020/LPB-wrap-up-training-2020-presentation.pdf>

13. Complexity of the scheme was the most commonly identified barrier for the Firefighters' schemes (84 per cent).
14. The Firefighters' Scheme was noted to have the highest proportion of annual benefit statements delivered in line with statutory deadlines (67 per cent)
15. These results will be updated in the [TPR six key processes](#) factsheets along with reminders of where to find guidance, and book training.
16. The Board may wish to consider how they reflect on the Firefighters scheme performance within their workplan.

## **Board action**

17. For the Board to discuss how these documents should reflect in their workplan for 2021-2022

Board Secretary  
December 2020