

# Scheme Advisory Board

## **ACTIONS AND AGREEMENTS**

**FIRST MEETING HELD ON 20<sup>TH</sup> APRIL 2016 AT LOCAL GOVERNMENT HOUSE, SMITH SQUARE, LONDON**

### **PRESENT**

Malcolm Eastwood	Chair
Cllr Maurice Heaster	Scheme Employer Representative (LGA)
Cllr Thomas Wright	Scheme Employer Representative (LGA)
Cllr John Fuller	Scheme Employer Representative (LGA)
Cllr Darrell Pulk	Scheme Employer Representative (LGA)
Sean Starbuck	Scheme Member Representative (FBU)
Dave Limer	Scheme Member Representative (FBU)
Francis Bishop	Scheme Member Representative (FBU)
Samantha Rye	Scheme Member Representative (FBU)
Glyn Morgan	Scheme Member Representative (FOA)
Tristan Ashby	Scheme Member Representative (RFU)
Des Prichard	Scheme Member Representative (APFO)
Clair Alcock	LGA – Acting Board Secretary
Marc Sherratt	Home Office Observer

### **1. Apologies**

Apologies were received from Cllr Rebecca Knox, Cllr Jeremy Hilton and Cllr Philip Howson

### **2. Introductions and welcome from Malcolm Eastwood**

Malcolm Eastwood introduced the meeting

### **3. Conflicts of Interest**

It was noted that there were no conflicts of interest declared.

# Scheme Advisory Board

## 4. Board Establishment

### a) Terms of Reference

The draft terms of reference were presented to the Board and the following discussion points were raised:

**Statement of purpose.** Need to clarify process of advising Secretary of State even when not requested.

**Action** – Secretary to amend for consultation.

**Knowledge and understanding.** It was noted that the terms of reference required board members to attend and participate in training. Board members were asked what topics the training should include.

Topics given were

- Clear demarcation of duties between the Scheme Advisory Board and Local Pension Boards
- Awareness on the legal responsibilities of the board
- Tax advice

**Action** Secretariat to include a training session in the meeting of 26<sup>th</sup> May 2016

**Noted** Training topics were noted and will be included in future sessions, experts can be invited to meetings to build this knowledge.

**Quorum.** It was noted that every effort should be made for attendance, however it was accepted that on occasion board members will be unable to attend.

It was agreed that on exception substitutions may be allowed. However the substitutes should be named and will be required to attend all appropriate training sessions. It will be the responsibility of the appropriate body to name the substitution

**Action** – Secretary to amend ToR to show that Quorum must be at least 10 members plus chair with a minimum of 3 employer and employee representatives.

**Action** Secretary to amend the ToR to show named substitutions may be allowed on exception.

**Action** Sean Starbuck to provide secretariat with suggested amendments

**Action** – Secretary to make all amendments for consultation

# Scheme Advisory Board

## b) Tenure

It was noted that membership of the board was noted in the terms of reference as being the proposed candidates from FBU, RFU, FOA, AFPO & LGA. Therefore tenure of the named members would be in line with the nominating procedure of the proposing bodies.

**Agreed** – It was agreed that this was acceptable

## c) Substitutions

As noted in item 4a) Quorum, it was agreed that named substitutions would be allowed

**Agreed** – It was agreed that this was acceptable. Members to name their substitutes.

## d) Appointment of advisers and observers

It was noted that regulation [\[4F\(4\)\]](#) allowed the appointment of 3 advisers as non-voting members of the board, but did not limit the number of advisers that the board could invite to provide advice to the board.

It was agreed that LGA would be appointed to the board as adviser, and the board would consider options to appoint a legal adviser and actuarial adviser.

**Agreed** – Clair Alcock of LGA, was appointed to the board as adviser.

**Noted** – The Home office was noted to be an observer, most likely to be Marc Sherratt, but may be one of his team.

**Action** – Secretariat to provide a paper on options for advisers

## e) Work plan

The work plan was noted to be

- Support local pension boards
- Advise local pension boards
- Take a lead on communications
- Improving scheme administration
- Ensure cost effectiveness of scheme administration
- Advise on how to reduce of costs of scheme administration

In order to support and advise local pension boards, the Scheme Advisory Board would need a framework to allow Local Pension Boards to feed issues into the Scheme Advisory Board.

# Scheme Advisory Board

It was suggested that the Scheme Advisory Board adopt the regional groups and Fire Technical Community as a mechanism to communicate with local pension boards.

Each board should understand who their regional representative is and agree their own procedure for taking an issue to the regional pension officer group.

**Agreed** – Framework to be adopted.

**Action** – Board to write out to local pension boards setting out methods for communication

## **f) Board Budget**

The regulations require the board to prepare a budget for agreement by the Secretary of State, in order to effectively conduct board business and satisfy the legislative responsibilities of the post.

It was noted that Clair Alcock is acting as temporary secretariat but that the board would need to include sufficient budget to appoint a formal secretariat and would need to consider what technical support the board needs from LGA in addition to the employer focussed pensions role already subscribed to by Fire authorities.

A paper will be drafted for submission to the Home Secretary by the Home Office Fire Pensions Team. It was considered that the budget would need to include sufficient resource for

Reasonable expenses for business of the board  
Professional advice including legal advice  
Secretariat support  
Technical advice

**Action** Budget to be drafted by secretariat

## **g) Board Policies**

Board policies required for

- 1. Knowledge and understanding**
- 2. Code of conduct**
- 3. Conflicts policy**

**Action** To be drafted by secretariat

# Scheme Advisory Board

## h) Date of next meeting

The following dates were agreed by the board as dates for the next meeting

26<sup>th</sup> May 2016

7<sup>th</sup> September 2016

An alternative date will need to be found from the proposed date of 13<sup>th</sup> December

## 5. Board Establishment

Verbal report was given by LGA of feedback and structure of boards as known. It was noted that the Scheme Advisory Board should write out to the chairs of the local pension boards ASAP, to introduce the board, encourage feedback and setting out work plans of Scheme Advisory Boards.

**Action** Scheme Advisory Board to survey boards to understand establishment in detail

**Action** Secretariat to draft letter to boards, it was noted that this should be copied to the Pension Administration Manager and Chairs of Fire Authorities as interested parties.

## 6. Any other business

Sean Starbuck raised a concern in relation to how past service costs would potentially impact on the cost ceiling going forward.

**Action** To share board members email addresses

**Action** To share a list of all Local Pension Board members and chairs with Scheme Advisory Board members

**Action** to share a list of all Pension Administrators for Fire Authorities

**Noted** It was agreed that the issue over past service costs would be monitored and kept on the agenda, to note when more information regarding scheme costs was available.

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