

Meeting of the Board 23 June 2022

SAB membership, committees, and training

Introduction

1. This paper has been drafted to provide the Board with a reminder of the terms of membership of the Board, discuss the remit and membership of the three SAB committees and future training requirements.

Background

2. The Firefighters Pension Scheme (England) Scheme Advisory Board (the “Board”) is a body set up under [Section 7 of the Public Service Pensions Act 2013](#) (PSPA 2013) and [The Firefighters’ Pension Scheme \(Amendment\) \(Governance\) Regulations 2015](#).
3. The purpose of the Board is to be both reactive and proactive to carry out the following functions:
 - 3.1. provide advice in response to a request from the Secretary of State on the desirability of making changes to this scheme and any connected scheme
 - 3.2. provide advice to scheme managers and local pension boards in relation to the effective and efficient administration and management of this scheme and any connected scheme.
4. It will seek to encourage best practice, increase transparency, coordinate technical and standards issues, and build positive relationships with stakeholders and industry bodies – such as the Home Office, the Pensions Regulator (TPR) and the Government Actuary’s Department (GAD).
5. Regulation 4F of the above required the Secretary of State to appoint a minimum of two and a maximum of 14 members to the Scheme Advisory Board with equal representation of persons representing the interests of scheme employers and persons representing the interests of members.
6. In a letter distributed by the Department for Communities and Local Government (DCLG) on 21 August 2015 to relevant trade unions, the then Fire Minister confirmed that the appointment process should proceed on the basis that the seven places allocated to the board for scheme member representatives would be split between the four trade unions on the basis of four seats for the Fire Brigades Union and one each for the Retained Firefighters’ Union (now the Fire & Rescue Services Association), the Fire Officers’ Association and the Association of Principal Fire Officers (now the Fire Leaders’ Association).

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7. In order to achieve equal representation, the Secretary of State appointed seven employer representatives, and the Local Government Association (LGA) was asked to nominate seven names as employer representatives.
8. The first full meeting of the Board took place on 20 April 2016 and the [terms of reference](#) were established.
9. At the Board meeting of [30 November 2016](#), the Board agreed to appoint:
 - 9.1. Board advisers and observers [[Paper 3, Item 8](#)]
 - 9.2. Board committees [[Paper 4, Item 10](#)]
 - 9.3. Board budget committee [Item 5]
10. These appointments were re-confirmed at the meeting of [9 January 2020](#) [Item 6]. At that time, the budget committee and adviser selection committee were combined to form a committee to agree the procurement of services. This comprises the chair of the scheme advisory board, two employee representatives and two employer representatives.

Current Board membership

11. The current membership of the Board is as follows:

Employer representatives	Member representatives
Cllr Nick Chard	Tony Curry (FBU – appointment pending)
Cllr Nikki Hennessy	Philip Hayes (FRSA)
Roger Hirst	Glyn Morgan (FOA)
Cllr Roger Phillips	Des Prichard (FLA)
Cllr Roger Price	Mark Rowe (FBU)
Cllr Leigh Redman	Andrew Scattergood (FBU – appointment pending)
Cllr Ian Stephens	Pete Smith (FBU)

12. On [9 January 2020](#) [Item 12], Cllr Roger Phillips and Matt Lamb were appointed as joint vice-chairs. As Matt Lamb has now retired, a replacement vice-chair is sought from the scheme member representatives.

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Advisers and observers

13. Definition of advisers and observers:

13.1. Advisers shall be persons appointed in either a personal capacity or as a representative of a recognised professional firm to provide formal or professional advice to the Board in either written or verbal format both within and outside of Board meetings

13.2. Observers shall be persons invited to attend Board meetings in order to enhance the communication from and feedback available to the Board with regard to scheme stakeholders not otherwise represented on the Board.

14. The current advisers to the Board are:

Name	Organisation	Role
Craig Moran James Allen	First Actuarial	Actuarial advisers (Appointed following procurement)
Jane Marshall	Weightmans	Legal adviser (Appointed following procurement)
Helen Scargill	West Yorkshire Pension Fund	Practitioner adviser (Held by chair of Firefighters' Technical Community)

15. Under [regulation 4F\(4\)](#) these individuals are appointed as non-voting advisory members. The LGA Fire Pensions Team provides technical advice to the Board via a non-member adviser position.

16. In line with [Paper 1 to the meeting of 9 January 2020](#), it is proposed to re-tender for the legal adviser and actuarial adviser positions for the four-year board term from April 2024.

17. The Home Office and colleagues from devolved government SABs have permanent observer seats to the Board. At the meeting of [17 September 2020](#), under AOB, the Board agreed that Ian Hayton, pensions lead for the National Fire Chiefs Council (NFCC), should be added as a permanent observer.

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18. Invited observers: that any Board member can in advance of a meeting propose (with reason) that a particular person can attend in an observer capacity. Any such invitation is subject to the agreement of the chair.
19. Uninvited observers: from time-to-time colleagues request to observe a Board meeting. These requests are generally accepted unless the agenda has confidential items on the agenda. Any requests from colleagues to attend should be subject to the agreement of the chair.

Publishing information about the Board

20. [Section 6 of the PSPA 2013](#) and [the Pension Regulator's Code of Practice 14](#) both prescribe that information about pension boards should be published online. Legally, that information must include:
 - 20.1. who the members of the pension board are
 - 20.2. representation on the board of members of the scheme(s), and
 - 20.3. the matters falling within the pension board's responsibility.
21. One of the pages on the public Board site holds details of all SAB members [<https://www.fpsboard.org/index.php/about-the-board/board-membership>].
22. Board members upon appointment are asked to provide a short biography and an appropriate photograph to be uploaded to the website. There are currently a number of gaps in information which should be rectified at the earliest opportunity.

Board committees

23. Each SAB committee works with the chair and secretariat to lead on individual areas of the Board's workplan. The committees have significantly contributed to the work of the Board, including delivery of the [AON administration and benchmarking review in 2019](#). The current SAB committees are:
 - 23.1. [Cost-effectiveness](#) (chaired by Cllr Roger Phillips)
 - 23.2. [Local Pension Board effectiveness](#) (chair vacancy)
 - 23.3. [Scheme Management and Administration](#) (chaired by Des Prichard)
24. Each committee should have at least two members from the Scheme Advisory Board with an equal employer and employee representative split. A Board member must chair each committee.
25. The committees have co-opted representatives of Fire Pensions from the following stakeholder groups to reflect a balanced cross section of views, who act

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in the interests of the FPS as a whole and not in the interests of any organisation they may represent:

- 25.1. Technical Practitioner Community
- 25.2. Senior FRA Finance
- 25.3. Senior FRA HR
- 25.4. Employee/ Employer representatives of Local Pension Boards

26. At present, each committee is carrying one or more vacancies, in particular employer representatives of the SAB. The current vacancies are listed below.

Committee	Vacancy
Cost-effectiveness	SAB employer rep (for balance)
LPB effectiveness	Chair (SAB member rep)
Scheme Management and Admin	SAB employer rep
Scheme Management and Admin	Practitioner rep
Scheme Management and Admin	LPB rep (LPB effectiveness rep currently standing in)

27. Volunteer representatives are sought from the Board for the employer positions and a chair for the LPB effectiveness committee is needed to replace Matt Lamb who has recently retired.

28. Sector representation has been openly advertised with limited success. A direct approach to individuals can have a more positive outcome. Views are welcomed from the Board on this point.

29. It is acknowledged that the committees have been relatively under-utilised while the secretariat team has been undergoing a period of transformation and growth. Now that the team is up to full capacity, each member of the team will sponsor a committee as follows and reinstatement meetings will be held over the coming months:

- 29.1. Cost-effectiveness – Claire Hey
- 29.2. LPB effectiveness – Elena Johnson
- 29.3. Scheme management and administration – Claire Johnson

Training

30. The PSPA 2013 introduced the framework for the regulatory oversight of the governance and administration of public service pension schemes. While the TPR does not stipulate a legal requirement for Scheme Advisory Boards to acquire and maintain knowledge and understanding in Code of Practice 14 as for Local Pension Board members, it is considered good practice for the same principles to apply.
31. A [Knowledge and Understanding policy](#) was published in January 2020 to support the Scheme Advisory Board in developing and maintaining the knowledge and understanding required to discharge their responsibilities effectively and represent the best interests of scheme employers and members.
32. The policy outlines
 - 32.1. Areas of knowledge and understanding required
 - 32.2. Degree of knowledge and understanding required
 - 32.3. Acquiring, reviewing, and updating knowledge and understanding
 - 32.4. Demonstrating knowledge and understanding
33. Firstly, Board members should have a clear understanding of the role and responsibilities of the Board, as well as the other stakeholder groups involved in the administration and management of the FPS.
34. Board members should have a working knowledge of the rules of the FPS to allow them to carry out their duties, as well as knowledge and understanding of the law as it relates to the FPS, to a degree which is appropriate for them to fulfil their role. The originating orders and full history of amendments for each scheme can be found here <http://fpsregs.org/index.php/regulations>.
35. To assist the Board with technical, actuarial, and legal matters relating to the scheme rules and administration, the board appointed three advisers in line with regulation 4F5 of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015.
36. Finally, the Board should be conversant with any policies relating to the work of the Board. These include, but are not limited to:
 - 36.1. Terms of reference
 - 36.2. Committee terms of reference
 - 36.3. Conflict of Interest policy
 - 36.4. Risk register

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37. To be conversant with the scheme regulations and documented Board policies, members should ensure that they are familiar with the documents to the extent that they have a basic understanding of which regulations are relevant to an issue under discussion, and where certain provisions may apply.
38. Board members should be familiar with common case-law with direct or consequential impact on the FPS. A list of relevant determinations can be found here <http://fpsregs.org/index.php/legal-landscape/relevant-case-law>.
39. Most importantly, Board members should have a sufficient breadth and depth of knowledge to ensure that they fully understand all information and advice provided to them, and how decisions made by the Board may impact the scheme and its stakeholders. They should also acquire sufficient understanding to allow them to confidently challenge any such information or advice given.
40. Although the Board is not expected to be expert in all aspects of pension administration, management, governance, and law, it is anticipated that members be aware of where relevant information and assistance can be found. The following websites are a good starting point www.fpsregs.org; www.fpsboard.org.
41. Training to acquire a sufficient level of knowledge and understanding is an important part of a Board member's role, and appropriate time should be made to undertake training and development activities.
42. It is expected that members of the Scheme Advisory Board will attend a range of LGA-organised events to broaden their knowledge and network with FPS stakeholders.
43. Board members will be sighted on the [monthly FPS bulletins](#) which provide updates to stakeholders on topical issues affecting the scheme and are a useful source of reference.
44. It is recommended that members of the Scheme Advisory Board volunteer to sit on one of the three Board committees, which consider issues affecting the scheme in greater detail before feeding back their findings to the full Board. Joining one of the committees gives the opportunity to improve knowledge and understanding while working with practitioners from FRAs.
45. TPR also offers a series of courses on the [Public Service toolkit](#), to help those involved in scheme governance to improve their knowledge. While the modules are aimed more specifically at those involved at a local level, some of the content will be useful, nonetheless.

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46. In order for the secretariat to develop individual training logs and a central training plan, Board members are asked to complete a learning needs analysis.
47. An induction/ refresher session on the scheme provisions and key stakeholders will be held before the end of the year. The Board is asked to consider what other training events would be useful from external stakeholders such as TPR or the GAD.

Board actions

48. The Board is asked to note the contents of this paper.
49. The Board is asked to nominate a replacement SAB vice-chair from the scheme member representatives.
50. Board members are asked to review their details on the [Board membership webpage](#) and provide any updates as required.
51. Board members with missing information on the [Board membership webpage](#) are requested to provide this as soon as possible to comply with statutory requirements.
52. Board members are asked to make nominations for replacement committee members and chair (LPB effectiveness) as outlined above.
53. Board members are asked to complete an individual training needs analysis by 31 July 2022. The template will be issued following the meeting.

Board Secretary
June 2022