

Minutes**Title: Police Pension Board (Officer)****Date:** Thursday 9th February 2017 at 2pm**Location:** Chief Finance Officer's Office**Chair:** Ian Perkin**Attendees:**

Ian Perkin CFO OPCC, (Chairman)

Huw Williams Federation, (Deputy Chairman)

Paul Bundy Chief Finance Officer Surrey Police,

Bill Davis Head of Employee Services for Surrey & Sussex Police

Jon Savell Superintendents Association

Tony Suter Scheme Member,

Rachel Lupanko Office Manager OPCC (Minutes),

Jo Guy Technical Lead Surrey Police.

ITEM	NOTES	ACTIONS / OWNER
1	<p>Welcomes & Apologies</p> <p>The Chair welcomed the Members of the Board and noted the apologies from Bill Davis and Jon Savell.</p>	
2	<p>Conflicts of Interests:</p> <p>No conflicts of interest were declared.</p>	
3	<p>Minutes of the last meeting:</p> <p>The Board were happy to approve the minutes.</p>	
4	<p>Review of actions and decisions:</p> <p>Action 51 – a note of Counsel's advice was shared with the Board which states that although an attempt had been made to follow the correct procedure by Surrey Police when the Injury Award reviews had been completed back in 2011/12, in that medical assessments had been carried out before any alteration to injury award bandings, the SMO had made the mistake of making a salary comparison with a serving Police Officer instead of using the Annual Survey of Hours and Earnings (ASHE) figures for all individuals aged 65 or over as made clear in the Police Pension Regulations. This mistake could have been rectified when this case had been considered at the Police Medical Appeals Board (PMAB) but the Board had also erroneously mixed up mean and median earnings figures so that Surrey Police would have been unable to defend any action brought under Judicial Review proceedings.</p> <p>Counsel's opinion was that properly conducted reviews should be completed in compliance with the procedures laid down in Police Regulations. These reviews may indicate that changes in injury award bandings should be made, but would be defensible should any legal proceedings be brought by affected former officers.</p>	

ITEM	NOTES	ACTIONS / OWNER
4 cont.	<p>Action 51 - Copy of Counsel's advice to be sent to BD as he had been unable to attend the meeting. Action 51 – Paper re progress of Reviews – see item 9 of this Agenda.</p> <p>Action 52 –Master copy of PCC's Scheme of Delegation still with Sussex awaiting final approval – PB to Chase – Open</p> <p>Action 65 – Legal challenge to Pension Reforms - A written update had been provided to the Board: A number of ET claims have been made relating to Police Officer pension changes implemented on 01 April 2015. In broad terms, the claimants allege that the effect of the new provisions has resulted in various forms of discrimination for those further from retirement compared to those closer to retirement.</p> <p>The claim is being brought against every police force and the Home Office. There are over 3,000 officers nationwide who are part of this claim. A national lead view is awaited.</p> <p>A hearing may be scheduled for July, however, this seems relatively early as claims are still coming in to Forces and there has been no date set for a preliminary hearing as yet. Also it is not clear who will foot the bill for this if the officers claim is successful although it is hoped it will be the Home Office. Further updates will be shared with the Board when more information is known – Closed</p> <p>Action 70 – Excessive charges by supplier - Sussex have confirmed that they would be happy to consider tendering jointly. An options paper is being put together to enable the Board to consider the way forward looking at the possibilities of joint or regional tendering or even joining with the Northumbria framework. The Options paper will be distributed to the Board for their consideration once complete - Open</p> <p>Action 71 – Public Service Pension Scheme self-assessment tool: Online training. Most Members have completed part or all of the training All training to be completed by the next meeting - Open</p> <p>Action 71 – Contact Equinity to find out the cost of providing a check to the paper files of Members to be carried out between 2 to 5 years prior to the date of retirement. Have not yet requested information from Equinity, will do so for next meeting – Open.</p> <p>Action 73b – a breakdown of what Equinity's pension sharing fee covers was shared with the Board.</p> <ol style="list-style-type: none"> 1. Calculate the fee split as per the Pension Sharing Order (PSO) and invoice both parties. 2. Calculate a value for the police pension as at the date of the decree absolute/PSO. 	<p>RL</p> <p>PB</p> <p>JG</p> <p>ALL</p> <p>JG</p>

ITEM	NOTES	ACTIONS / OWNER
<p>4 cont.</p>	<p>3. Process the actuarial calculation to create a notional Cash Equivalent Transfer Value (CETV) based on the pensions as at the date of the decree absolute/PSO. the former spouse's percentage of the CETV.</p> <p>4. Split the CETV as per the PSO and calculate the pension credit using</p> <p>5. Set up pension credit record and write to credit member informing them of their pension entitlement.</p> <p>Apply the pension debit to the member's record and write a letter informing them of the debit to be applied at retirement.</p> <p>Once the pension has been split, there are additional steps that Equity must take in order to pay/maintain the pension credit:</p> <ol style="list-style-type: none"> 1. Annual maintenance/increase to be applied to the pension credit deferred record 2. Increase the pension credit from date of split to the date of payment and produce letters/forms to send pension credit member 3. On receipt of the forms, request funds from Surrey Police, set up the periodic payroll and process first payments/lump sum 4. Write to pension credit member to confirm benefit selected 5. Annual increase of the credit pension <p>The pension debit taken from the member is based on that member retiring at age 60 so there are additional steps that are required when the member retires:</p> <ol style="list-style-type: none"> 1. Increase the pension debit in line with inflation from the date of the pension split to the date of retirement 2. Calculate the debit retirement factor using actuarial factors and apply it to the debit (after the inflation increase) 3. Apply the adjusted debit to the members pension <p>In addition to the above, Equity usually receive general queries on each stage from the member/spouse and/or the solicitor. In some cases are required to set out the actuarial calculation for a third party to review and answer several queries in relation to their calculations. - Closed</p> <p>Action 73c – Annual Pension Statements – Emails have been sent to most Deferred Members but have had difficulty in contacting a couple as contact details are out of date - ongoing - Open</p> <p>Action 73d – Pension Statement Queries - A process is now in place for dealing with all pension queries and they are now handled quickly and efficiently – HW thanked JG for her help with this. – Closed</p>	<p>BD</p>
<p>5</p>	<p>Risk and Issue Register:</p> <p>The Risk and Issue Register was reviewed and updated by the Board.</p> <p>Administration process – review of independent audit reports of administrator. Equity's independent audit being completed at this time.</p> <p>Action 74 – Audit report to be circulated to the Board once it becomes available – open.</p>	<p>JG</p>

ITEM	NOTES	ACTIONS / OWNER
5 cont.	Employer failure to pay contributions into scheme – Annual Audit The Board felt that as the independent Auditors report is a public document, there was no need to bring the report to the Boards specific attention unless it highlighted a problem that the Board needed to be aware of.	
6	<p>Review of Constitutional Documents: The Board reviewed the following documents and noted the following:</p> <p>Action 75</p> <ul style="list-style-type: none"> a) Terms of Reference – To be updated to reflect that CC Nick Ephgrave is now substantive in post. b) Conflict of Interest Policy & Procedure – Register of interests to be signed by Board Members and published on Surrey Police Website. c) Conflict of Interest Disclosure Form – 1 typo to be corrected d) Conflict of Interest Register – no amendments e) Knowledge & Understanding – 3 typos to be corrected f) Data Protection & Information Security Policy – Make sure link from PCC’s website to information published on Surrey Police’s website relating to the Pension Board is working correctly. g) Code of Conduct – no amendments h) Reporting Procedures – no amendments i) Finance Policy – Budget, Fees and Expenses – To be updated to reflect that CC Nick Ephgrave is now substantive in post A breakdown of Budget expenditure to be brought to the next meeting j) Exclusion Notice – no amendments. 	<p>RL</p> <p>RL</p> <p>RL</p> <p>RL</p> <p>RL</p> <p>RL</p> <p>RL</p> <p>PB</p>
7	<p>Internal Dispute Resolution Process; The procedure had been amended slightly with some additional information added and had been shared with the Board prior to the meeting. - Approved</p>	
8	<p>Commutation Payments: A written update had been received from BD prior to the Board meeting: This cannot become Policy until the Regulations have been updated. Following a recent conference discussion involving 75% of Forces plus professional advisors, the general assumption is that Forces would not wish to advertise that officers can apply for the removal of the 25% limit as they don’t see this as being financially viable, if more than 2¼%, the Force would have to reimburse the fund for the difference, unless there were certain circumstances. To be discussed further at the next meeting.</p> <p>Action 72 – Add to next Agenda</p>	<p>RL</p>

ITEM	NOTES	ACTIONS / OWNER
9	<p>Review of Injury Awards – Update:</p> <p>The Board considered the Proposal and felt that it would be good practice that reviews should be completed by a different SMP to the one that had taken part in the original injury award process or the last review process.</p> <p>Action 76 – BD to be made aware of the Boards proposal</p> <p>The Board noted that the proposal to not review the over 65 cases did not reflect the legal advice received following the last review of this age group.</p> <p>The Board agreed to approve the two proposals in the paper, all Injury Awards should be reviewed every 5 years regardless of age.</p>	RL
10	<p>AOB:</p> <p>The Board were grateful to Penningtons Manches (Pension advisors to the Board) for the update making the Board aware of a Supreme Court judgement handed down on the 8th of February 2017 dis-applying a requirement in Northern Irish local government regulations for a member to make a written nomination for death benefits in respect of his/her co-habiting partner.</p> <p>This case is likely to have implications for all other public sector schemes where there is a requirement for written nominations, like the Police Pension Schemes and Police Staff Pension Scheme. In the update received from Pennington’s they had listed the Police Pension Scheme 2015 and 2006 scheme but had not confirmed that it is a requirement under the 1987 scheme.</p> <p>Action 77 – contact Penningtons to confirm that this is also a requirement under the 1987 Police Pension scheme.</p>	RL
11	<p>David Hewitt from Equinity joined the meeting via telephone and was welcomed by the Chair.</p> <p>Quarter 3 Report – The Board noted that all of the Service Level Agreements had been passed at 100% and no SLA’s had been missed.</p> <p>David explained that since the move to the new shared office in London the team had become part of a much larger team enabling any queries to be dealt with more quickly and efficiently. He thanked JG and HW for their help in logging complaints/queries relating to the Pension Statements onto one spreadsheet – this had been most helpful.</p> <p>David explained that Equinity were looking at how calls types were recorded on their system, one telephone call with a general query could lead to several more complicated queries but was only recorded the system once under the original general query heading. Equinity are looking to capture better information on the types of calls they currently class as general queries without logging each query within one phone call as a separate calls/queries.</p> <p>David informed the Board that amendments to the pension statements are under consideration, the intention is to make the information contained in the statement clearer and this will hopefully reduce any confusion in the future.</p> <p>There were no other questions from the Board. The Chair thanked David for joining the meeting.</p>	
12	Date of next meeting 27 th April at 10am	

The meeting closed at 15.15pm.