Title: Surrey/Sussex Police – Joint Pension Board (Officer)
Date: Wednesday 24/05/2023 at 14:00

Location: Microsoft Teams

Chair: Iain McCulloch
Protective Marking: Official

Surrey & Sussex Board Members:

Kelvin Menon (KM), CFO Surrey OPCC

Iain McCulloch (IM), CFO Sussex OPCC

Danielle Mead (DM), Surrey Federation

Raff Cioffi (RC), Sussex Federation,

Tom Budd (TB), Superintendent's Association – Surrey Police

Miles Ockwell (MO), Superintendent's Association, Sussex Police

Simon Lambert (SL), Scheme Member Representative – Surrey NARPO

Graham Bradley (GB), Scheme Member Representative – Sussex NARPO

Vacant - Executive Director of Commercial and Financial Services for Surrey & Sussex Police

Daisanne Summersfield (DS), Head of Shared Business Services for Surrey & Sussex Police

Adrian Rutherford (AR), Head of Employee Services for Surrey & Sussex Police

Carwyn Hughes (CH), Head of Digital, Data & Technology for Surrey & Sussex Police

Advisors: Cassidy Gillett (CG), Jo Langley (JL), Michelle Quirk (MQ) Isobel Tait (IT) & Shelia Love (Sh L), Surrey & Sussex Pensions Team

Guests:

Tim De Meyer (TDM), Scheme Manager for Surrey Police CC

Jo Shiner (JS), Scheme Manager for Sussex Police

Paul Mudd (PM), XPS Representative

Minutes: Rachel Lupanko (RL), Office Manager, OPCC

ITEM	NOTES	ACTION / OWNER
1	**Welcomes, Apologies & Conflicts of Interest:** IM welcomed everyone to the meeting and explained that he had taken over as Chair from KM for this next financial year. The meeting was declared quorate but would not be balanced once KM & CH were able to join. Apologies had been received prior to the meeting from Danielle Mead, Tom Budd, CC Jo Shiner, CC Tim De Meyer. DS introduced the Surrey Police Pensions team attending the meeting and gave apologies for JL & MQ who were not able to attend. No conflicts were declared.	

ITEM	NOTES	ACTION / OWNER
2	CH joined the meeting at this point **Minutes / Action from Previous Meeting**: Item 4 - The minutes of the 21st of February were discussed; Item 4 - it was felt that the minutes did not accurately reflect the discussion re the widow's complaint, the wording will be agreed outside of this meeting and the minutes corrected prior to publication. One other error in the list of attendees was also noted and will also be corrected.	
	Action 2023-07: Liaise with PM & GB to obtain a form of wording that accurately reflect the discussion, amend the minutes and correct the attendee list prior to publication.	**RL**
	Joint Pension Board Actions: Action 2022-16: Scheme Membership Opt Out Rates – see item 5 of this Agenda - Closed Action 2022-18 – Data Breach – As there had been no response from Equinity, the Board agreed that as this was a minor breach which was reported at the time and the address had been contacted asking for the statement to be returned, the Board agreed this action could be closed - Closed Action 2022-28: Pension Remedy- now a standing agenda item - Closed	
	Action 2022-29: Work Plan - Share GMP reconciliation error rate information re Surrey / Sussex member data with the Board once it becomes available - data is not yet available, being worked on and will be discussed at the next project meeting with XPS - OPEN.	**CG**
	Action 2023 01: Risk & Issue Register – Risk Area 2.3 – the Risk Register had been amended to reflect the comments- Closed. KM joined the meeting at this point.	
	Action 2023-02: XPS Quarterly Report – Amend the cases by month section of the quarterly report to say Deferred Benefits notifications, to make this clearer - PM explained that these are a standard set of reports, will be working towards changing the reports in the future and will consult with the Board re any proposed changes.	**PM**
	Action 2023 03: Pension Remedy Share the Comms Plan with the Board – this had been shared - closed Action 2023-04 – Scheme Member Opt out rates – an updated paper to come back to the Board– see item 5 of this agenda – Closed. Action 2023-05 –Refund and interest payment – the refund in full and interest payment had been received – Closed Action 2023-06 –Pension Team contact details to be sent to the Board – details sent – Closed	

ITEM	NOTES	ACTIONS / OWNER
3	**Risk and Issue Register:** The Board reviewed the Risk Register and noted the minor changes / updates that had been made since the last meeting. **Risk Area 1.5 –Pension Administration Transfer** – As we are now 6 months on from the successful transfer, the Board agreed that this specific risk could now be discharged and removed from the register and absorbed into business as usual. PM confirmed that all outstanding work from the transfer had been completed. There had been a spike in the workload in the last quarter which had caused a small number of cases that had not been completed within the KPI target. The spike in the workload had been due to pensions increases, member self-service portal letters being sent out etc., this did not affect any cases that involved deaths, payments or benefits as these are treated as a priority but related to general queries, transfer requests, statements, divorce calculations etc. XPS are working hard to clear the backlog. A concern was raised re data accuracy relating to transferees into the Surrey/Sussex pension scheme and did this need to be added as a risk to the Risk Register? The Board were assured that the Pensions team were aware of the problem, particularly in relation to senior level transfers where these issues appeared to occur more often. The Pensions Team are currently running a mini project to look at the issues, it has also been identified as something that will need to be looked at in more detail as part of the pension remedy reconciliations. The paper file scanning project had now been completed, historic data is available to XPS so that when the member record is being checked following an event, a transfer, retirement, death etc., the historic data will be easily available to be checked and included in the calculations. XPS will also be checking that any cash transfers into the scheme had been recorded correctly. Through the NPCC, it had been agreed that administrators will work together to make sure that any future transfer information will be current and up to date. As part of their workflow process, XPS will check directly with the officer and actively peruse the transfer statement. **Action 2023-08: Risk Area 1.5 Pension Administration Transfer - Update the Risk Register to remove this specific risk and adsorb into business as usual.** **Action 2023 09 - Transfer Project Plan Closure document – a summary to be provided for the archives.** **1.4 Member Communications –** it was noted that when communication relating to the annual benefit statement is to be released, information on the Tax regulations changes to annual and lifetime allowances will need to be included to clarify that it won't impact the previous financial year. This would hopefully help to reduce any confusion over this.	**CG** **CG**

ITEM	NOTES	ACTIONS / OWNER
4	**Pension Administrator Summary:** The reports for Surrey and Sussex were reviewed. The annual allowance threshold had been increased in the budget from £40k to £60k, this has been picked up and would be applied to the pension saving statements that are due to be send out, although the increase was welcomed, the CPI inflation rate increase of 10.1% will also be applied to member benefits, it remains to be seen who will be affected by the allowance increase this time around. This is currently being looked at by the XPS technical team and a briefing note to explain what has happened and who it will affect will be issued. XPS will also be updating their website with new examples to which will take into account the new threshold limit. Lifetime allowance – this was also increased in the budget, now £268k, if a member does have a lump sum option of more than £268K, the lump sum will be issued as usual on the day, or the day after the retirement date, but there is a requirement from the HMRC to tax any excess amount, this payment would have a marginal tax rate or personal tax rate applied and is paid on the normal pension pay date. XPS will follow up with a briefing note to the Pensions Team to explain how this affects their process and how they are to communicate the changes to members. The lump sum commutation rates changed recently, any offers that had been made will be, or have already been, revised and reissued. XPS Portal– the take up for Surrey and Sussex had been above the national average and was expected to continue to grow between now and the end of August when the benefit statements are issued. XPS will be issuing communications to active members to encourage sign up and will also issue deferred member statements where the data permits, which should increase the sign up with that member group as well. A query was raised re an apparent error on the portal which appeared to quote maximum commutations at any time between now and 30 years, PM explained that it may be that the member was looking at the wrong line of service on the record, they needed to be in the correct record to get the correct calculation out of the system. **Action 2023-10: Run tests to see if the information is displaying on the portal is as expected and if not will rectify immediately.** Common Data Scoring – PM explained the various data test scores and the various reasons why someone may fail the test, XPS do correct as many issues as possible to make the data held as accurate as possible, but that some 'fails' my never be cleared out of the system, i.e., if a child was receiving a pension but had no NI number, or if a person has a title that the system does not recognise, this type of fail will always register as a fail.	**PM**

ITEM	NOTES	ACTIONS / OWNER
	Completed cases overview – There were some cases which had not met the KPI targets. The reason for the delays related to the spike in the workload, the XPS team were working as hard as possible to clear the backlog. XPS have an automatic response which will be looked at to see if it needs to be changed. The Pensions Team confirmed that this was being monitored closely, to help manage member expectations, information had gone out via the internal forum to active members and via the rep bodies for deferred members. Regular engagement sessions with XPS were taking place to monitor and address this issue. Rep bodies are requested to continue to escalate any issues brought to them by their members to the joint Pensions Team so that they can track it and make sure it is being dealt with. Pension increase queries – it was confirmed that a lot of these queries relate to how the pension increase is applied, the interaction with the GMP with the substantive police pension, which is why XPS break this down, but this may still lead to queries. Completed Cases by month – Death in service – one case was showing as late, this case had been completed but for some reason had not been closed within the system. What the report does not show is how many days any cases not completed inside the target had been delayed by. PM confirmed that when the report is redesigned in the future, it would be possible to include this information. Sussex, widows' complaint –The Board were advised that Equinity had been informed of the death in good time, this was shortly before the transfer date, but had not communicated this information to XPS. It had since been confirmed that there had been no overpayment, the widow's pension is now being paid and XPS Contact Centre staff had been spoken to. A letter will be sent to the complainant to confirm that no overpayment had been made, no demand for repayment would be made and a few lines would be included to confirm how the complaint had been resolved. **Action 2023-11: It was felt that the minutes of the last meeting did not accurately reflect the situation with this complaint – the wording is to be corrected before the minutes are published**	**RL/PM /GB**
5	**Report on Scheme Membership Opt Out Rates:** The Chair thanked the Pensions Team for the report and the details of the survey responses which had been very informative. It was confirmed that as this was a public meeting, anyone who wanted to attend the meeting can attend and should contact RL. The Board noted that some of the feedback in the survey was outside of their control as they do not have discretion to change the scheme. It was agreed that the raw data needed to be analyzed in more detail to see where the problems lie, this would enable the board to make informed decisions or put forward sensible suggestions. It was noted that some people who join the service do not do so with the intention of staying in for the full 30 years, there is also some distrust as people feel they may invest a lot of money into the scheme and then the government change the rules.	

ITEM	NOTES	ACTIONS / OWNER
Item 5 Cont.	The Scheme Advisory Board (SAB) currently have a consultation out re some potential changes to police pensions. It was confirmed that Officers are not leaving the service in droves in comparison to industry standards, so turnover is still low. The Pensions Team are going to review the gender, age and when in service people are opting out of the scheme. It was agreed that Improvements could be made to the onboarding process for new recruits to explain the value of the pension in more detail. It was noted that automatic reenrollment has just taken place so it would be interesting to see if anyone opted out again within the next few months. It was confirmed that the percentage rate for opt outs, 4.2% for Surrey and 8% for Sussex, was based a snapshot in time, (March 2023). The Federation confirmed that they talk to the new recruits on day one of their induction and as part of this session did hand out details of the scheme, it was agreed that it may be helpful to build on this by having another session later in the induction week with someone from the Pensions Team in attendance, to be able answer any more detailed questions. It was confirmed that work is still ongoing in relation to the possible increase in the SE allowance. XPS are creating a video to help sell the story of the scheme which would also help to allow officers to make an informed choice. A 50/50 split option had been highlighted nationally and is being discussed. A Strategic Options paper had come to the last Board meeting, the Board agreed they wished to discuss the survey results and the options paper in more detail outside of this meeting. **Action 2023-12: Opt out Survey Feedback to be shared with the SAB Chair and Scheme Manager Steering Group** **Action 2023-13: Arrange a Pension Board Awayday**	**CG** **RL**
6	**Review of The Pensions Regulator Governing Body ED&I Guidance published 28/03/2023** The Board agreed that more discussion on this subject was required, this guidance would be included on the agenda for the Pension Board awayday and any Board policies and procedures that needed to be updated in relation to this guidance would be reviewed at the same time. Any changes to the policies and procedures would then be brought back to the next Board meeting for formal adoption.	

ITEM	NOTES	ACTIONS / OWNER
7	**Penson Remedy:** It was confirmed that a letter had been sent, on behalf of both Scheme Mangers for Surrey and Sussex and the Joint Pension Board Chair, in relation to the police pension scheme retrospective remedy. DS has been working closely with the SAB and the National Police Chief Constable's (NPCC) Scheme Manager Steering Group, this along with the NPCC pension chats which involve all 43 forces, is narrowing down the issues and themes to be respond to and is highlighting what is important. There are 3 consultations going around at this moment in time from the NPCC, the SAB and one of the rep bodies, these will dictate the detail of what is needed to be done to rectify the pension remedy and to put the processes and steps in place to enable this to happen. High level detail of the number of scheme members effected had been shared with the Board prior to the meeting, the member data has been worked on to make sure data is as accurate as possible. There are 8683 individuals affected by the remedy, the rectification of the age discrimination for protected members, 3845 Surrey and 4848. This work will start in earnest October and as much work as possible is being done now to make sure that as much as possible can be done in an automated way and get this right. A virtual presentation had been given to officers regarding the Pension Remedy, this is the first stage in a long process and the Pensions Team will be arranging to do something similar for retired and deferred members to enable them to make informed decisions going forwards. XPS are finishing their high-level plan, which will inform the Pensions Teams work plans/tasks and activities going forwards. There are complex issues that need to be addressed, tax positions, interest etc. XPS have been excellent in providing help and advice to the Pensions Team, data is key, particularly for when the Pension Dashboard when it is launched. On the 26th of April XPS had held a meeting, inviting the 32 Forces for whom they administer their pension schemes, this was to gauge where the Forces were and what support XPS can give them. The Surrey/Sussex team are working hard, paying a lot of attention to the detail, and were engaged in all forums. It was noted that £35m is the overall estimated cost of putting this right, the Board were not aware of any additional resources coming from government to cover these costs. The Chair thanked the Pension Team and XPS for their work on this.	
8	**Pension Board Terms of Reference, Policies and Procedures:** The Members had no comments on the papers. It was confirmed that the Scheme Managers have sight of these documents and are asked to approve the TOR annually. These documents will be reviewed at the Awayday, and any changes that are made will be brought back to the next meeting.	

ITEM	NOTES	ACTION / OWNER
9	Review of Reported Breaches: No breaches had been reported in the last quarter.	
10	**Work Plan:** CG spoke to the report and confirmed only a few minor updates had been made. It was confirmed that Evans and Ashcroft is still being worked on by XPS some cases have been passed back to the Pension's Team for further information to be provided. GMP Equalization – still waiting for further information. The Newsletter has been removed from the workplan as not yet had a conversation with XPS regarding providing the newsletter and what it would look like. Any feedback from pensioners on how useful the newsletter was would be helpful. The TPR scheme return remains on the workplan but as the date of the return changes every year, the date on the workplan may not be right.	
11	**Pension Board Training:** It was confirmed that all new Board Members are sent the link to the TPR online training, and all current members of the Board have completed this. **Action 2023-14: The training log is to be updated with the NPCC and LGA training which took place last week.**	**RL**
12	**AOB:** It was confirmed that the part two minutes of the last meeting had been shared directly with the Board Members, as there is no part two of this meeting, should Members have any comments or amendments would they please contact RL directly.	
11	**Date of next meeting:** The next meeting was confirmed as the 6th of September 2023	

The Chair thanked the Members for their attendance, the Pensions Team and XPS for their hard work.

The meeting, the closed at 15:42.

Future meetings are planned for the following dates:

30/11/2023
07/03/2024