

## **POLICE PENSIONS BOARD**

**Wednesday, 30 May 2018**

**Minutes of the meeting of the Police Pensions Board held at the Guildhall EC2 at 11.30 am**

### **Present**

#### **Members:**

Alderman Ian Luder (Chairman)  
John Todd (Deputy Chairman)

Alexander Barr

#### **Officers:**

George Fraser	- Town Clerk's Department
Kate Limna	- Chamberlain's Department
Matt Mott	- Chamberlain's Department
Graham Newman	- Chamberlain's Department
Richard Jeffrey	- Comptroller and City Solicitor's Department
Marshah Dixon-Terry	- City of London Police

#### **1. APOLOGIES FOR ABSENCE**

Apologies were received from Helen Isaac.

#### **2. MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

#### **3. ELECTION OF DEPUTY CHAIRMAN**

The Board considered the appointment of its Deputy Chairman.

The Town Clerk read a list of eligible candidates, and as only John Todd indicated his willingness to serve, he was elected Deputy Chairman for the ensuing year.

RESOLVED – That John Todd be elected Deputy Chairman for the ensuing year.

#### **4. MINUTES**

The Board considered the minutes from the last meeting, held on 9 January 2018.

#### **MATTERS ARISING**

The Chairman welcomed the new Pensions Manager, Matt Mott to the Board for his first meeting since taking up the post 3 months previously.

#### **5. OUTSTANDING REFERENCES**

The Board received a report of the Town Clerk that summarised the outstanding actions from previous meetings.

The Chairman noted that bespoke guidance on data protection would be communicated to Members of the Police Pensions Board by CoLP's compliance lead. Members all confirmed that they had undertaken GDPR training already in their respective roles.

RESOLVED – That the report be received.

**6. REPORT OF ACTION TAKEN SINCE THE LAST MEETING**

The Board received a report of the Town Clerk that summarised the action taken under delegated authority to the Town Clerk.

RESOLVED – That the report be received.

**7. TRAINING PRESENTATION**

The Board received a verbal presentation from the Chamberlain providing them with a summary of the training plan as well as a history of the Police Pension Scheme.

The Chairman asked if all Members of the Board had completed their training modules as required to date. The Chamberlain explained that there were some areas outstanding for Members and that they would continue to follow up on these outside the meeting.

In relation to the 1987 Police Pension Scheme, the Chairman asked if the lump sum option was payable based on a maximum of 2/3 final salary. The Chamberlain confirmed that this was correct.

In relation to the option to purchase additional benefits, a Member asked if there was a ceiling on tax-relief for eligible pension contributions. The Chamberlain explained that in practice there was no limit as the Scheme Regulations provide limits to the maximum amount of additional benefits that can be purchased.

The Chamberlain explained that there were currently 3 active schemes, each with their own terms and benefits, that are separate from each other for many of the current scheme members.

A Member asked for a clarification on the situation prior to the 1987 Police Pension Scheme. The Chamberlain confirmed that, although there were a number of schemes prior to 1987, these were all amalgamated into the 1987 Scheme. This limits the number of schemes active to just three – 1987, 2006 and 2015.

The Chamberlain confirmed that most Members on the 2006 Scheme would have moved immediately onto the 2015 Scheme, except a small number that would have tapered protection and move into the 2015 Scheme at a later date.

The Chairman noted that the 2015 Scheme significantly disincentivises retirement at the age of 55. The Chamberlain confirmed that the benefits for officers retiring before age 60 would be subject to actuarial reduction for early payment.

A Member asked if individuals were obliged to leave the 1987 Scheme after 30 years of service. The Chamberlain explained that officers were not obliged to leave the 1987 Scheme upon reaching maximum pensionable service. However, as the Scheme is not compulsory those exceeding 30 years can elect to opt-out, but there were a number of factors to be considered before making such a decision; these include forfeiting their eligibility for a death in service lump-sum payment.

A Member noted that the contractual agreement was fixed at the end of the scheme. The Chairman noted that the incentive of remaining in the scheme would be the final salary payments.

The Chamberlain noted that The Pension Regulator would be attending the October meeting of the Board to provide the next session of training for Members.

RESOLVED – That the Chamberlain be heard.

#### **8. POLICE PENSIONS SCHEME UPDATE**

The Board received a report of the Chamberlain that provided Members with an update on a range of topics relating to the City of London Police Pension Scheme.

The Chairman noted that changes had been made to the schedule and the risk register in Appendix 1 and Appendix 2 respectively.

The Chairman asked if all members had the right to transfer out of the 2015 Scheme on to other schemes. The Chamberlain confirmed that benefits can only be transferred to other public sector pension schemes.

The Chairman requested that example letters from each scheme be submitted to the October meeting. The Chamberlain confirmed that all letters would be reviewed at the October meeting.

The Chairman illustrated his approval of the final paragraph of the letter at Appendix 3, noting that it was important that members are recommended to seek pensions advice from authorised independent agents.

RESOLVED – That the report be received.

#### **9. POLICE PENSIONS BOARD ANNUAL REPORT FOR POLICE COMMITTEE**

The Board received a report of the Chamberlain that sought Members' approval of a draft annual report on the Police Pensions Scheme.

The Chamberlain requested Members' comments prior to submission of the Annual Report to the Police Committee on 12 July.

In reference to paragraph 22 of the report, a Member asked whether the scheme survey referenced was run by the City of London Police Pension Scheme, or by The Pensions Regulator (TPR). The Chamberlain confirmed that it was a survey of administration and governance across all police pension authorities and would be carried out by TPR. The Chairman asked if benchmarking would be possible in this case. The Chamberlain explained that the intentions of TPR with regards to the survey are yet unknown but would become apparent following the results presented at the October meeting of the Board.

RESOLVED – That the report be approved and the final draft be included on the agenda for the next meeting of the Police Committee on 12 July.

**10. PROTECTED PENSION AGES AND RE-EMPLOYMENT FOR CITY OF LONDON POLICE OFFICERS**

The Board received a report of the Commissioner of Police that provided Members with a clarification of the risk mitigation carried out by the City of London Police (CoLP) around Protected Pension Ages and re-employment.

The Commissioner explained that the report addressed the two main questions raised by Police Pension Board Members at the previous meeting as follows:

- i. Are CoLP aware of the risks associated with the period of break in work required before employees, having reached their Protected Pension Age, can return to work with CoLP?
- ii. What are CoLP doing to mitigate this risk?

The Chairman asked if an appendix making individuals aware of this regulation should be attached to the letter sent out to retiring CoLP staff regarding their pension. The Chamberlain explained that this information should be distributed to staff through the CoLP HR department, as this would fall under their responsibility. Communications from the Pensions Team would usually be coming at too late a stage for staff to make informed decisions in this regard. The Chairman agreed and requested that an example of this letter or documentation produced by CoLP HR be submitted to the Board. (1)

Members surmised that this was likely to be an issue that the City Corporation HR department should also be aware of but noted that it was not within the remit of the Police Pensions Board to instruct in this regard.

RESOLVED – That the report be received.

**11. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions.

**12. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no urgent business.

**The meeting closed at 12.46 pm**

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Chairman

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