



**Minutes of the Local Pension Board meeting held at 11:00 hours on Tuesday
2 February 2022 via Microsoft Teams**

Members present:

Mr Ian Cotter (Chair)	Employer Officer Representative
Cllr Richard Biggs	Employer Member Representative
Cllr Rebecca Knox	Employer Member Representative
Mr Sean Frampton	Scheme Member Retiree Representative
Mr Gerard Senior	Scheme Member Retiree Representative
Mr Allan Frias-Robles	Scheme Member Employee Representative

Other staff:

Mrs Carol Swan	Head of HR
Ms Sadie Price	HR BP and Employee Relations Manager
Mrs Jacqueline Blight	Employee Relations Advisor
Mrs Jacky White	HR Advisor Employee Relations Pensions

Guest:

Helen Scargill	West Yorkshire Pension Fund (WYPF) - Client Manager
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Minute taker: David Shaw, Democratic Services Officer

22/01 Welcome and introductions

22/01.1 Ian Cotter (Chair), opened the meeting and welcomed the attendees.

22/02 Apologies

22/02.1 Assistant Chief Fire officer (ACFO) Andy Cole - Employer Officer Representative and Mr Mike Rees - Employee Relations Officer

22/03 Conflicts of Interest/Code of Conduct

22/03.1 The Chair asked the meeting for any declarations of conflicts of interest. There were no disclosures.

22/04 Minutes from the Local Pension Board meeting held on 17 November 2021

22/04.1 The Chair asked Members to review and approve the minutes from the meeting of 17 November 2021. Sean Frampton asked that the references in paragraph 21/08.3 to Category A be amended to Category 1, and the reference to Category B be amended to Category 2; these amendments were agreed.

22/04.2 **RESOLVED: That subject to the amendments highlighted above, the Minutes from the Local Pension Board meeting held on 17 November 2021 be agreed as a correct record.**

22/05 Review actions from all Local Pension Board meetings

22/05.1 The actions from the previous meetings were discussed and updated. Five actions remained open, numbers 43, 48, 49, 50 and 51. For Action 43, the Chair explained that links to on-line training had been included within the agenda. In respect of Action 48, it was confirmed by Carol Swan, Head of HR, that a new Scheme Member Employee Representative was being sought to replace Barry Jones. On Action 49, Carol Swan stated that an update on day crewing pension issues would be pursued with Jane Marshall following her return to work. On Action 50, Carol Swan stated that a guidance note to promote electronic registration of the pension portal had been included in the Weekly Update and West Yorkshire Pension Fund (WYPF) had also prepared information to circulate to Scheme users. On Action 51, Helen Scargill, WYPF, reported that a note of why Key Performance Indicator (KPI) data scores had not been achieved had not yet been included in the WYPF report, and that this action would be undertaken in the next few weeks, concentrating on the general KPI data scores first.

22/06 Local Pension Board Risk Register

22/06.1 The Chair informed the Board that the risk register had been updated. It was explained that Risk 8 (failure to ensure employers pay the correct contributions to the scheme, and that their employees are contributing appropriately) had changed as the current likelihood had been decreased to its previous level (unlikely), following completion of the Internal Audit action plan. The remaining risks remained unchanged.

22/07 Scheme Manager Update

22/07.1 Carol Swan presented the Scheme Manager Update for February. The update covered Age Discrimination Remedy and implementing the Immediate Detriment framework, consultations/surveys, internal disputes resolution, breaches, Board applications, general update/actions/information and the Meetings, Events and Training Calendar.

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22/07.2 Carol Swan informed the meeting that on 15 December 2021, a report had been taken to the Fire and Rescue Authority (report 21/57 refers) which had agreed to suspend/pause the processing of cases until an update was taken to the meeting of the Fire and Rescue Authority (FRA) on 9 February 2022. The update report for the FRA meeting (report 22/15 refers) had been circulated to Local Pension Board members for information. The recommendation to the 9 February 2022 FRA meeting was to:

- i. Agree that the Service recommence processing the cases of staff about to retire (Category 1) in line with immediate detriment principles but avoid any payments that would trigger tax complications or incur unfunded costs for the Authority.
- ii. Agree that further decisions regarding the approach to be taken to immediate detriment, including the timing of when the cases of staff who have retired (Category 2) (staff who have retired) will be processed, are delegated to the Chief Fire Officer in consultation with the Treasurer and the Monitoring Officer.

It had been recommended to proceed with Category 1 cases as the risk and tax implications were less than those for Category 2 cases at the present time.

22/07.3 The Chair explained that to process Category 2 cases would trigger an authorised tax charge on any additional retirement lump sum, which could be up to 55% of the added lump sum. Legislation relating to this would change in the new financial year from 6 April 2022, therefore the recommendation was not to proceed with these cases at present. In addition, if it was implemented in full, any compensation payments that might arise would need to be funded from the Authority revenue budget, not by the Pension Fund account, and would not be funded by additional grant from the Home Office.

22/07.4 The Chair continued that it was recommended to continue with Category 1 cases as the pension and the lump sum payments could be legitimately charged to the Pension Fund account. There were some tax issues surrounding contributions that would require consideration, which related to tax relief, and the overall situation was changeable and would be considered at the FRA meeting on 9 February.

22/07.5 Cllr Richard Biggs asked if the situation outlined was common amongst fire authorities. The Chair replied that the same issues were being faced by all Authorities and that the Chief Fire Officer informally discussed the situation with fellow Chief Officers at a national level.

22/07.6 Sean Frampton, Scheme Member Retiree Representative, asked if Scheme members were aware of the tax issues that had been highlighted. Carol Swan stated that the four Category 1 cases that were currently being processed had been advised and had also signed a disclaimer both with the Service and the WYPF. In addition, Jacqueline Blight, Employee Relations Advisor, clarified that there were a further six additional cases to be processed prior to April. Helen Scargill added that those affected did not have to accept the situation

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that applied to Immediate Detriment, as they could retire under the existing scheme and consider recompense in the future under Category 2.

22/07.7 Carol Swan continued by explaining that in respect of consultations and surveys the FRA Remedy Self-assessment Survey (SAB) had been undertaken. The survey results had shown that the Service was in the same position as most of the other Fire and Rescue Services and was not an outlier. Appendix D - Consultation on Firefighters' Pensions Prospective Remedy, had been referred to WYPF for completion due to its technical nature. There had been no matters raised under internal dispute resolution or no reported breaches. Pension Board updates had been circulated by Jacqueline Blight. There was no update on New Burden payments and the Local Government Association Fire Pensions Coffee mornings had proved useful to join.

22/07.8 Ian Cotter added that under New Burden payments, £90k had been received from the Home Office towards software changes. It was unknown if there would be more financial assistance towards software or other costs, but hopefully there would be further financial support for processing claims.

22/08 West Yorkshire Pension Fund update

22/08.1 Helen Scargill gave a verbal update based on the WYPF report.

22/08.2 Helen Scargill stated that the monthly client reports for December and January had been produced since the last meeting and that there had not been a technical group meeting. The Quarterly meeting had been held on 12 January and was yet to be minuted; the meeting was in a new format based on agenda themes, as per the client reports.

22/08.3 Helen Scargill provided a summary of regulatory amendments. These included the Public Service Pensions and Judicial Offices Bill, which would move final salary schemes to career average from 1 April 2022 and the Finance (No. 2) Bill, which had a potential impact, particularly in relation to unauthorised payment tax charges. There was no update on the Matthews case and the consultation on the draft Pensions Dashboard Regulations was due on 13 March 2022. This would provide a central point where pensions information could be found, but the date for launch for the Fire Scheme was October 2023, which coincided with other deadlines and representation was being made to have the date changed.

22/08.4 Helen Scargill continued that WYPF staff were continuing to work from home. She also reported that there were no breaches to report. The data scores for December and January had been updated and there was little change, and the scores were at a reasonable level.

22/08.5 In reply to a question from the Chair regarding the consultation on the draft Pensions Dashboard Regulations, Helen Scargill stated that the consultation was to be returned to the Scheme Advisory Board and that the consultation links would be forwarded to the Chair.

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- 22/08.6 Helen Scargill outlined that the WYPF was managing the Immediate Detriment case workload due to the pause following the latest advice. Processing Category 1 cases was causing no problems. Deadlines were being met on Category 2 cases, with data being provided to Fire and Rescue Authorities. However, there could potentially be a problem with Category 2 cases when all Fire and Rescue Authorities signed up, with 250-300 cases to be dealt within a 62-day deadline, whereas to date only 40 cases had been dealt with by WYPF. The processing of data on the spreadsheet was time consuming, with most of the calculation being automated, but data might need to be tallied and was required to be manually checked. The processing of Immediate Detriment cases also had to be balanced against competing demands for other services provided by WYPF.
- 22/08.7 The Chair enquired how the Immediate Detriment cases would be balance by the WYPF between its many clients. Helen Scargill replied that the cases would be processed in 62 day order, with the possibility of front loading cases by undertaking the calculations in advance if the spreadsheet data was received. The Chair asked Carol Swan if the data spreadsheets for the six Authority cases in waiting was prepared. Carol Swan informed the meeting that the data was still being prepared, although it was easier for Category 1 cases. The data could continue to be processed until it was un-paused. Jacqueline Blight added that the data had been collected for all Category 2 cases and half had been processed, which equated to 10 out of 19 of the Category 2 cases. Helen Scargill requested that the data be consolidated into one spreadsheet before being forwarded to the WYPF.
- 22/08.8 In reply to a question from Cllr Biggs, Helen Scargill explained the amount of calculation that could be undertaken within the spreadsheet. The calculation also needed to be doublechecked and it was the additional verification that was time consuming.

22/09 Training and development

- 22/09.1 The Chair reported that useful links to training had been circulated within the agenda and board members were encouraged to use these on-line resources. The training and guidance links are reproduced below for reference. Specific training for Board members would be arranged later. Helen Scargill added that the training slides that were presented at the last coffee morning would also be of benefit for Board members and it was suggested that these could be circulated by Jacqueline Blight with the next bulletin.

Training guides published by the LGA Pensions Team - <https://fpsregs.org/index.php/administration-resources/bite-size-training>

Resources published by the SAB to help with the running of LPBs - <https://www.fpsboard.org/index.php/local-pension-boards/resources>

Scheme Advisory Board meeting information -
<https://www.fpsboard.org/index.php/about-the-board/board-meetings>

Guidance published by the Government Actuary's Department (GAD) - <https://fpsregs.org/index.php/gad-guidance>

Information on public service pension schemes from The Pensions Regulator -
<https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes>

22/10 Local Pension Board Work Programme

22/10.1 Helen Scargill confirmed with the Chair that the Accounting for Tax returns to HM Revenue & Customs had been dispatched on time and payment made.

22/11 Items agreed with the Chair (AOB)

22/11.1 There were no additional items of business.

22/12 Date of next meeting

22/12.1 The next Local Pension Board meeting will be held at 11:00am on Wednesday 13 April 2022 on-line, with a view to holding the July 2022 meeting in-person.

The meeting closed at 11.55am.