



Minutes of the Local Pension Board meeting held at 10:00 hours on Wednesday 13 April 2022 via Microsoft Teams

Members present:

Mr Ian Cotter (Chair)	Employer Officer Representative
ACFO Andy Cole	Employer Officer Representative
Cllr Richard Biggs	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
Mr Mike Rees	Employee Relations Officer
Mrs Jacky White	HR Advisor Employee Relations Pensions

Guests:

Helen Scargill	West Yorkshire Pension Fund (WYPF) - Client Manager
Sukhjot Kaur	WYPF – Senior Governance and New Business Development Officer

Minute taker: David Shaw, Democratic Services Officer

22/13 Welcome and introductions

22/13.1 Ian Cotter (Chair), opened the meeting and welcomed the attendees.

22/14 Apologies

22/14.1 Cllr Rebecca Knox, Employer Member Representative and Ms Sadie Price HR Business Partner and Employee Relations Manager

22/15 Conflicts of Interest/Code of Conduct

22/15.1 The Chair asked the meeting for any declarations of conflicts of interest. There were no disclosures.

22/16 Minutes from the Local Pension Board meeting held on 2 February 2022

22/16.1 The Chair asked Members to review and approve the minutes from the meeting of 2 February 2022.

22/16.2 Arising from the minutes, the Chair updated the meeting that the recommendations referred to in Minute 22.7.2 had been approved at the meeting of the Fire and Rescue Authority held on 9 February 2022 and that Category 1 cases of staff about to retire were now being processed. The Chair continued that in respect of Minute 22.7.8, an additional grant of £88k to the end of May had been received from the Home Office, which had been taken into consideration in this year's budget. The use of this additional grant needed to be clarified with the Home Office, and in reply to a question from Cllr Biggs, Employer Member Representative, it was established that the grant was separate to finance for the new Pension Dashboard software.

22/16.3 **RESOLVED: That the Minutes from the Local Pension Board meeting held on 2 February 2022 be agreed as a correct record.**

22/17 Review actions from all Local Pension Board meetings

22/17.1 The actions from the previous meetings were discussed and updated. Three actions remained open, numbers 43, 48 and 49. For Action 43, the Chair explained that links to on-line training had again been included within the agenda and this action would remain in progress. 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 by means of a rolling recruitment advertisement and articles in Connect and by mail shots. For Action 49, Carol Swan stated that an update on day crewing pension issues had been pursued with Jane Marshall and an internal document on costings was anticipated by the end of April, which would be submitted to the Board for review.

22/17.2 Sean Frampton, Scheme Member Retiree Representative, referred to action 50, guidance note to promote electronic registration of the pension portal, and asked if retired members could access information, including P60s via the portal only and if a letter could be sent to some retired members to highlight the portal. Carol Swan replied that promoting the portal was the preferred option and Helen Scargill, West Yorkshire Pension Fund (WYPF) - Client Manager, added that there was an option to opt out of online only. The Chair concluded that communications around this issue and promotion of the portal should be given consideration.

22/18 Local Pension Board Risk Register

22/18.1 The Chair informed the Board that the risk score for Risk 2 – 'legislative' had been increased due to the issues relating to immediate detriment. In reply to a question from Cllr Biggs, the Chair commented that it was unlikely that the threat of a legal challenge would cease until after changes in legislation were

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introduced in October 2023. At the suggestion of Cllr Biggs, the Chair stated that a note would be placed against the description of the risk in future reports to explain this.

22/18.2 ACTION: Chair to amend description against Risk 2 – Legislative to reflect timescales for the introduction of Immediate Detriment legislation.

22/19 Scheme Manager Update

22/19.1 Carol Swan presented the Scheme Manager Update for April. The update covered Age Discrimination Remedy and implementing the Immediate Detriment framework, urgent LGA pension communication, second options exercise, consultations/surveys, internal disputes resolution, breaches, Board applications, general update/actions/information and the Meetings, Events and Training Calendar.

22/19.2 Carol Swan informed the meeting that on 9 February 2022 the Fire and Rescue Authority had agreed that the Service should recommence processing pension cases for Category 1 cases, in line with immediate detriment principles, but avoiding any payments that would trigger tax complications or incur unfunded costs. Staff about to retire would therefore have their pension 'remedied' and receive their correct pension and lump sum payments. Carol Swan continued that it might be necessary to revisit individual tax positions and other payments once all the pension remedy legislation were in place. Staff affected had been asked to sign a mandate to revisit their tax position later. Any adjustment to pensions for staff who had already retired (Category 2 cases) would remain on hold due to significant tax implications.

22/19.3 Carol Swan added that as of the 31 March 2022 for Category 1 cases there were eleven completed retirements, including one ill-health case and post 1 April 2022 there were six retirements in progress including one ill-health case. Of the Category 2 cases ten were fully complete and were ready to send to West Yorkshire Pension Fund (WYPF) and nine were awaiting final calculations but the pay data check had been completed. The data was also being manually checked for some 500 cases, including by Civica and WYPF.

22/19.4 The Chair explained that the Treasury had recently issued guidance on how to process cases, and it was believed that the approach taken by the Authority remained appropriate and cases were being rechecked. For Category 1 cases the position with tax relief was unknown and this element was being held back at this stage.

22/19.5 Carol Swan referred to the urgent pensions communications from the Local Government Association (LGA) regarding a pension matter for firefighters who had chosen to opt out of the pension scheme rather than transition into Firefighters' Pension Scheme 2015. In response, an urgent all staff email had been issued to advise them of this situation and action required before 1 April 2022. Alongside this, Service records identified that three people might have been impacted by this situation and each had been contacted independently and two had re-joined the 2015 Scheme.

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- 22/19.6 Carol Swan drew attention to the remedy for retained firefighters affected by the O'Brien judgment, which would be provided by way of a second options exercise allowing those eligible the opportunity to purchase pension entitlement as a special member of the Firefighters' Pension Scheme 2006. Based on this initial information and criteria, and in preparation for the options exercise, the Service had calculated the numbers of staff affected and there were 241 existing modified members who were eligible to buy back more pension service and 11 who should have been included in the previous options exercise (as they left the Service between 07.04.2000 and 30.06.2000). The Chair commented that the remedy would influence the employer contribution rate in the future and therefore the cost of the pension scheme.
- 22/19.7 Allan Frias-Robles, Scheme Member Employee Representative, asked if Scheme members were aware of the second options exercise that had been highlighted and who should be making contact. Carol Swan stated that the Service had good data to capture everyone affected. Mike Rees, Employee Relations Officer, added that the remedy was still at its early stages and contact would be made by the Service in due course, and in addition an article would be included in the Service Update to bring attention to the matter. Helen Scargill explained that the exercise related to retained firefighters who became whole-time fire fighters and to establish the aggregation.
- 22/19.8 Carol Swan continued by explaining that in respect of the Department for Work and Pensions (DWP) consultation on the pensions dashboard, that would allow individuals to see information about all their pensions, including the State Pension, in one place, the LGA and Scheme Advisory Board (SAB) response to the DWP consultation had both asked for the staging date to be delayed by a further 12 months until April 2025.
- 22/19.9 Carol Swan concluded the update by informing the Board that there had been no internal dispute resolutions and no reported breaches. West Yorkshire Pension Fund had also issued a letter to all active firefighters who were members of a Firefighter Pension Scheme to advise which scheme they would be in from 1 April 2022 (the 2015 Scheme) and their protection status regarding their previous membership of the 1992 and 2006 pension schemes.

22/20 West Yorkshire Pension Fund update

- 22/20.1 Helen Scargill gave a verbal report based on the client reports for February 2022 and included information on LGA bulletins, member issues, administrative updates, a calendar of events and disclosure regulations, of which there were no breaches to report. The performance of the WYPF and its benchmarking was also explained, including its cost effectiveness.
- 22/20.2 Helen Scargill added that all payments to the HMRC had been made on the Authority's behalf and that there were 875 pension members.
- 22/20.3 The Chair reported that following discussion with WYPF, the client report would be submitted to future Board meetings. It was noted that the April client report would contain the latest information on the use of pensions software.

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- 22/20.4 The Board considered the Key Performance Indicator (KPI) information that had been circulated in advance of the meeting (report 22/20 refers). Helen Scargill explained that the majority of KPIs showed no common issue and did not regularly fail each month and were not a cause for concern. WYPF would continue to regularly monitor and review the KPIs. The table in the report illustrated the KPIs that had not been met over the last 6 months and the narrative explained why these KPIs had not been met. The findings indicated that the general trend was improving, including a reduction in errors, with higher volumes of work being processed.
- 22/20.5 The Chair stated that the KPIs would be considered in the monthly client reports and would be referred to Board meetings as required.
- 22/20.6 In reply to a question from Sean Frampton asking if the KPIs were realistic whilst immediate detriment was on-going, Helen Scargill explained that this was a temporary situation and it had been decided that the KPIs should be unchanged.

22/21 Training and development

- 22/21.1 The Chair referred to the importance of members of the Board undertaking the public service pension schemes training from The Pensions Regulator (link below), and to keep training records up to date. The Chair would pursue this with Democratic Services to contact Board members to establish their latest training status.

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>

22/22 Local Pension Board Annual Work Programme

22/22.1 The Chair highlighted HMRC event reporting and the new service for which the Service was registered. Helen Scargill informed the meeting that Norfolk Fire and Rescue Service had already undertaken this and could be contacted for guidance if required.

22/23 Items agreed with the Chair (AOB)

22/23.1 There were no additional items of business.

22/24 Date of next meeting

22/24.1 The next Local Pension Board meeting will be held in person at 10:00am on Thursday 14 July 2022 at Poundbury, Dorset. There would be the facility for WYPF representatives to join the meeting remotely on-line.

The meeting closed at 11.15am.

Signed _____