



OFFICIAL

Appointment of Chair and Vice Chair of Local Pension Board 2023 - 24

Local Pension Board

Date: 4 August 2023

Agenda Item:

01

Submitted By: Monitoring Officer

Purpose	To appoint a Chair and Vice Chair of the Local Pension Board for 2023 – 24 in accordance with the Terms of Reference.
Recommendations	That appointments be made to the positions of Chair and Vice chair of the Board.
Summary	It is a requirement of the Terms of Reference that appointments to the positions of Chair and Vice chair of the Local Pension Board be made on an “annual rotational basis”. This report invites members to make the relevant appointments from the membership

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson, Committee Services
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Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 It is a requirement of the Local Pension Board Terms of Reference that appointments to the positions of Chair and Vice chair be made on an “annual rotational basis”. This report invites members to make the relevant appointments

2 Information

- 2.1 Chair of the Board in 2022 – 23 was John Roberts as Scheme Manager representative with Ian Dunkley as Vice chair representing the Scheme Members.
- 2.2 Nominations are invited from the membership for appointment to the posts

3 Financial Implications

- 3.1 There are no direct financial implications arising out of this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority’s Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no direct human resources and diversity implications arising from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no direct health, safety and wellbeing implications arising from this report.

8 Environmental Implications

- 8.1 There are no direct environmental implications arising from this report.

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Work in a sustainable and environmentally friendly way.
- Achieve a more inclusive workforce, which reflects the diverse communities we serve.



OFFICIAL

Local Pension Board Membership 2023 - 24

Local Pension Board

Date: 4 August 2023

Agenda Item:

02

Submitted By: Monitoring Officer

Purpose To advise of membership of the Board in 2023 - 24.

Recommendations That the report be noted.

Summary Appointments to the Board are made on an annual basis. This report advises of the membership for 2023 – 24

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson, Committee Services
E: Jik.Townson@westyorksfire.gov.uk
T: 01274 682311 X 671340

Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 Appointments to the Local Pension Board are made on an annual basis. This report advises of the appointments for 2023 – 24.

2 Information

- 2.1 The Local Pension Board has six members with equal representation (3) from both Scheme Members and the Scheme Manager.
- 2.2 Appointments as Scheme Member representatives are made on an annual basis following formal advertisement of the posts, written application and a selection process as appropriate.
- 2.3 The following were appointed as Scheme Member representatives on the Local Pension Board for 2022 -23;
- Mr Ian Dunkley
- Mr Ryan Binks
- Mr Jim Davies.
- 2.4 Appointments as Scheme Manager representatives are made at the Annual Meeting of the West Yorkshire Fire and Rescue Authority. The following members were elected as Scheme Manager representatives on the Local Pension Board for 2023 – 24;

Councillor Mike Pollard

Councillor Fozia Shaheen

Chief Fire Officer John Roberts

3 Financial Implications

- 3.1 Local Pension Board members can submit claims in respect of out of pocket expenses. Provision has been made in the revenue budget for members' allowances claims.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no direct human resources and diversity implications arising from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkshire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no direct health, safety and wellbeing implications arising from this report.

8 Environmental Implications

8.1 There are no direct environmental implications arising from this report.

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below

- Promote the health, safety, and wellbeing of all our people.
- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Work in a sustainable and environmentally friendly way.
- Achieve a more inclusive workforce, which reflects the diverse communities we serve.
- Continuously improve using digital and data platforms to innovate and work smarter.

DRAFT

EXCLUSION OF THE PUBLIC - SECTION 100A LOCAL GOVERNMENT ACT 1972

RESOLVED : That the public be excluded from the meeting during the item of business specified below as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this time, there would be disclosure to them of exempt information of the description respectively specified.

AGENDA ITEM NO.	TITLE OF REPORT	MINUTE NUMBER (to be added)	Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972

Disclosure of Disclosable Pecuniary Interests (DPI's)

- 1 Members present at the meeting who are aware that they have a DPI in a matter being considered must disclose the details of that DPI to the meeting unless it is already recorded on the Authority Members DPI Register.
- 2 Any Member with a DPI may not participate in any discussion or vote and under Authority Standing Orders is required to leave the meeting during any discussion or vote unless they have been granted a dispensation from exclusion from the meeting by the Executive Committee or in certain circumstances by the Monitoring Officer before any consideration of the item by the committee starts.

Footnote:

- (1) Members are referred to the Authority Constitution and to the provisions of sections 30-34 of the Localism Act 2011 and to the statutory regulations made thereunder which define the meaning of a DPI.
- (2) Members are reminded of the potential criminal sanctions and disqualification provisions under Section 34 of the Act applicable to breaches of disclosure and non-participation requirements.
- (3) A Member with a sensitive DPI need not disclose the details of that interest with the Monitoring Officers agreement but must still disclose the existence of a DPI and must withdraw from the meeting.

Application for dispensation to vote

Attached is a blank "application for dispensation" form which Members of the Committee may use to seek the grant of an individual dispensation on any item on the agenda.

Where possible, the completed form should be returned to the Monitoring Officer in advance of the meeting so that he can consider whether a dispensation should be granted. Block dispensations affecting a significant number of Members will be referred to the Executive Committee for approval, if time permits.

West Yorkshire Fire and Rescue Authority

Sections 31 and 33 Localism Act 2011

Member Participation & Voting Dispensation Request

Section for completion by Member

Name of Member:

Correspondence/ email address:

Dispensation applied for: (1) Participation (2) Voting (3) Both

Details of Meeting/agenda Item:

Full details of why you are applying for a dispensation:

Signed:

Dated:

Please send your application to the Monitoring Officer at Fire & Rescue Service Headquarters Birkenshaw BD11 2DY – martinmccarthy@westyorkfire.gov.uk

Section for completion by Monitoring Officer:

No in Register:

Received on:

Granted/ Refused

Reasons for refusal / Statutory Grounds relied upon for grant:



Minutes

Local Pension Board

Date: 20 January 2023

Time: 12:15pm

Venue: FSHQ

Present: John Roberts (Scheme Manager representative) in the chair, Councillor Peter Harrand (Scheme Manager representative), Ian Dunkley and Jim Davies (Scheme Member representatives).

In Attendance: James Clarkson Technical Advisor

Apologies: Councillor Fozia Shaheen (Scheme Manager representative), Ryan Binks (Scheme Member representative)

16 Chairs Announcements

There were no chairs announcements

17 Admission of the public

No items require the exclusion of the public and press

18 Urgent items

There were no urgent items

19 Declarations of interest

There were no declarations of disclosable interest in any matter under consideration at the meeting.

20 Minutes of the previous meeting held on 5 August 2022

RESOLVED

That the Minutes of the meeting held on 5 August 2022 be signed by the Chair as a correct record.

21 Local Pension Board Activity Report

Members considered a report submitted by the Chief Employment Services Officer concerning performance in key areas for the period 1 July 2022 to 31 December 2022.

RESOLVED

That the report be noted.

22 Scrutiny and Review

The Chief Employment Services Officer submitted information on the following areas for scrutiny and review for the period from 1 July 2022 to 31 December 2022;

- a) Discretions - one discretion has been exercised by the Scheme Manager during the relevant period
- b) Pensions Breaches register - no breaches have been exercised by the Scheme Manager during the relevant period
- c) Pensions Risk register - attached at appendix A to the report
- d) Compliance deadlines - the deadlines were set out for year end, ABS and Pension Saving Statement. Full details attached at appendix B to the report

RESOLVED

That the report be noted.

Legislative update

The Chief Employment Services Officer submitted a report which provided an update with regard to the following legislation;

- Age Discrimination Remedy
- Remedy Tax Legislation
- Treasury Directions for PSPJOA 2022
- Age Discrimination Injury to Feelings claim
- Matthews – Second Options Exercise
- Pensions Dashboards
- Judicial Review into 2016 Cost Cap Valuation

RESOLVED

That the report be noted.

23 Pension Ombudsman – update

Members received a report of the Chief Employment Services Officer which advised there have not been any FPS-related Ombudsman decisions since the last meeting. However, there has been a decision relating to Police Pension Scheme regulations where similar ones exist in the FPS, which highlighted the importance of being clear and consistent in staff policies and communications.

RESOLVED

That the report be noted

24 West Yorkshire Pension Fund – key performance indicators

Consideration was given to a report of the Chief Employment Services Officer which advised of West Yorkshire Pension Fund (WYPF) performance in key areas for the period 1 July 2022 – 31 December 2022.

RESOLVED

That the report be noted

25 Firefighter Pension Scheme bulletins 59 – 64

Consideration was given to the content of bulletins 59 – 64

[FPS Bulletin 59 – July 2022](#) contained the following actions:

- Administrators to consider the recommendations set out in section 5 of the report – Completed
- FRAs to revisit all special members leavers and opt outs to ensure that correct options have been given at deferment – Completed
- FRAs to have a process in place to ensure that their administrator is informed of any unpaid breaks in service for transitional FPS 2015 members – Completed
- FRAs to share pensionable data for members who are subject to age discrimination remedy and have had an inter-brigade transfer during the remedy period with the current FRA's administrator - As and when required
- FRAs to review the information in the factsheet to ensure they do not fall short of TPO's expectations – Completed

[FPS Bulletin 60 – August 2022](#) contained the following action:

- FRAs to review the eligibility factsheet and ensure that appropriate action is taken where necessary - completed

[FPS Bulletin 61 – September 2022](#) contained the following action:

- FRAs to send appropriate follow up communication to all originally determined out of scope individuals - completed

[FPS Bulletin 62 – October 2022](#) contained the following action:

- FRAs to inform the LGA of the IQMPs they use and to provide contact details - completed

[FPS Bulletin 63 – November 2022](#) contained the following actions:

- FRAs to review the ill health re-assessment factsheet and ensure that appropriate action is taken where necessary - completed
- FRAs to provide a valid purchase order number, stating the number of employees eligible to join one of the Firefighters' Pension Schemes as of 1 April 2022, using the form provided with the SAB 2022-23 levy letter - completed.
- FRAs and administrators are encouraged to respond to the consultation – completed.

[FPS Bulletin 64 – December 2022](#) contained the following actions:

- FRAs who meet the limited circumstances and want to apply to defer dashboard connection, must email pensionsdashboard@DWP.gov.uk as soon as possible and before 12 December 2023 - completed.
- FRAs should decide as soon as possible if they want to connect early to dashboards and apply to MaPS when application forms are available - WYFRA will not be connecting early
- FRAs and administrators to remind members who do not have enough carry forward to offset a tax charge for 2021 to 2022 to declare this on their self-assessment tax return – completed.

RESOLVED

That the content of bulletins 59 – 63 be noted

26 Scheme Advisory Board Minutes

RESOLVED

That the Minutes of the Scheme Advisory Board meeting held on 23 June 2022 be noted.

Chair



OFFICIAL

Local Pension Board Terms of Reference - Annual Review

Local Pension Board

Date: 4 August 2023

Agenda Item:

07

Submitted By: Monitoring Officer

Purpose To review the Terms of Reference for the Local Pension Board.

Recommendations That the report be noted and proposals for amendment made as required.

Summary In preparation for the establishment of the Local Pension Board on 1 April 2015, the Authority's Human Resources Committee approved the draft Terms of Reference at its meeting held on 23 January 2015.

It is a requirement that the Terms of Reference be reviewed on an annual basis.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson, Committee Services
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Background papers open to inspection: None

Annexes: Terms of Reference – Local Pension Board

1 Introduction

- 1.1 This report invites Members to review of the Local Pension Board Terms of Reference.

2 Information

- 2.1 The Local Pension Board Terms of Reference have been kept under review since its establishment in April 2015. A copy of the current Terms of Reference is attached at Annex A.
- 2.2 It is a requirement of the Board that the Terms of Reference be reviewed on an annual basis. Members are now invited, therefore, to consider the Terms of Reference for the 2023 – 24 year and note that any amendment will be included in the Local Pension Board’s Constitution document and will require formal approval from the Fire Authority.

3 Financial Implications

- 3.1 There are no direct financial implications arising from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority’s Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no direct equality and diversity implications arising from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no direct health, safety or wellbeing implications arising from this report.

8 Environmental Implications

- 8.1 There are no environmental implications arising from this report.

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Work in a sustainable and environmentally friendly way.

West Yorkshire Fire and Rescue Authority

Local Pension Board

Terms of Reference

Function and Responsibilities

The function of the Local Pension Board is to assist the Scheme Manager (West Yorkshire Fire and Rescue Authority) in administering the various firefighter pension schemes. This will be achieved by providing governance and by scrutiny of policies, pension documentation, decisions and outcomes.

The Local Pension Board will also assist the Scheme Manager to:

- secure compliance with the Regulations, any other legislation relating to the governance and administration of the Schemes, and requirements imposed by the Pensions Regulator in relation to the Schemes and;
- ensure the effective and efficient governance and administration of the Schemes

Duties of the Board

The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of these duties Board members:

- should act always in the interests of the Scheme and not seek to promote the interests of any stakeholder group above another
- should be subject to and abide by the Local Pension Board approved code of conduct

Frequency of meetings

The WYFRA Local Pension Board will meet six monthly (July and January in each municipal year), to review / report on previous actions and determine work streams and priorities for the future.

The Chair of the Board, with the consent of the Board membership, may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Local Pension Board membership

To comply with the regulations the Board must have a minimum of four members (two Scheme Member representatives and two Scheme Manager representatives). A Local Pension Board membership of four is the most straight forward and cost effective way of providing the Local Pension Board and complying with the Regulations.

Membership of the West Yorkshire Fire and Rescue Authority Local Pension Board will be:

3 X Scheme Member representatives (including 1 x FBU representative)

3 X Scheme Manager representatives (2 x elected Members, 1 x Officer representative)

Non-voting Officer Advisor(s) as appropriate

Scheme Manager (elected Member) representation on the Board will be determined by the Fire Authority at its Annual Meeting (or as otherwise required). The Officer representative will be nominated by the Authority's Management Board.

The Officer Advisor will be a specific officer who is to assist the Board in gathering/analysing information and writing reports. The Board will also be able to request assistance from any officer who has specific knowledge of a subject matter they are investigating.

Scheme Member representatives

Scheme Member representatives shall be appointed to the Board on an annual basis (or as otherwise required) by the Executive Committee of the West Yorkshire Fire and Rescue Authority following a formal application process.

2 x Scheme Member representatives will be active, deferred or retired members of one of the firefighter pension schemes administered by WYFRA.

1 x Scheme Member representative will be nominated by the Fire Brigades' Union.

Scheme Member representatives should be able to demonstrate

- their capacity to represent pension scheme members
- capacity to attend and complete the necessary preparation for meetings, and
- capacity to participate in training as required

Scheme Manager representatives

2 x elected Member Scheme Manager representatives shall be appointed on an annual basis to the Board at the Annual Meeting of the Authority (or as otherwise required)

1 x Officer Scheme Manager representative shall be appointed/confirmed on an annual basis by the Authority's Management Board.

Scheme Manager representatives with delegated responsibility for discharging the Scheme Manager function of WYFRA may not serve as Scheme Manager representatives on the Board.

Scheme Manager representatives should be able to demonstrate

- their capacity to represent the Scheme Manager
- capacity to attend and complete the necessary preparation for meetings, and
- capacity to participate in training as required

Appointment of Chair and Vice chair

Local Pension Board Members will act as the Chair and Vice- chair on an annual, rotational basis ie. when a Scheme Manager representative is appointed Chair of the Board, the position of Vice chair will be filled by a Scheme Member representative and vice versa on an annual basis, unless agreed otherwise.

Notification of appointments

On appointment to the Board, WYFRA shall publish the name of the appointees, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

Objectives

WYFRA Local Pension Board should consider the following:

- Are pension statements timely and accurate?
- How long does it take between retirement and receipt of pension?
- The number of errors made by the pension administrator.
- Are relevant policies in place and of a sufficient standard?
- Are pension estimates accurate and timely?
- Is the West Yorkshire Pension Fund (WYPF) website accurate and user friendly?
- Ensure that annual CARE scheme calculations are being carried out.
- Scrutinise data quality.

- Ensuring pension rules and regulations are being complied with, when officers are making decisions on pension matters.
- If complaints/appeals are being dealt with correctly and the correct procedures being followed.
- Review internal audit reports

This list is not exhaustive. The Local Pension Board will have the power to investigate anything it wishes in relation to the firefighters' pension schemes within WYFRS.

Conduct and Conflict of interest

Members of the Board are responsible for ensuring that their board membership does not result in any conflict of interest with any other posts they hold.

All members of the Board must declare to WYFRA on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board. On appointment to the Board and following any subsequent declaration of potential conflict WYFRA shall ensure that any potential conflict is effectively managed in line with both the internal procedures of WYFRA and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Board members.

Members of the Board must not use their membership for personal gain.

Gifts and hospitality should only be accepted with the permission of the Authority - any gifts accepted should be reported on in the Local Pension Board's annual report.

Members of the WYFRA Local Pension Board should maintain confidentiality when discharging their duties.

The WYFRA Local Pension Board has the right to use WYFRA facilities and resources in the course of discharging its duties.

Knowledge and understanding (including Training)

Knowledge and understanding must be considered in light of the role of the Board to assist WYFRA as detailed above. The Board should establish and maintain a policy and framework to address the knowledge and understanding requirements that apply to Board members. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.

Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding

policy and framework. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Term of office

Term of Office should be for 2 years and in accordance with the committee cycle in WYFRA

Board membership may be terminated prior to the end of the term of office due to:

- A Scheme Member representative no longer holding the office or employment or being a member of the body on which their appointment relied
- A Scheme Manager representative no longer holding the office or employment or being a Member on which their appointment relied
- The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training

Board Members may be re-appointed for more than one term of office following an approved appointment / nomination process.

Reporting

The West Yorkshire Local Pension Board will produce an Annual Report which will highlight areas of concern and identify good practice.

The report will also contain information on the number of retirements (natural and ill health), new starters, membership and opt-out numbers.

The Board will report to the Human Resources Committee.

Resourcing and funding

Members of the WYFRA Local Pension Board will be entitled to claim any reasonable out of pocket expense incurred through discharging their Local Pension Board responsibilities.

The Board will not have a dedicated budget. Requests for finance to purchase technical assistance, Board member training and anything else the Board may require to effectively discharge its duties will be made through the WYFRA Finance and Resources Committee.

Quorum

A meeting is only quorate when three Board members are present (including either the Chair or Vice chair).

Voting

The Chair shall determine when consensus has been reached. There will be no casting vote.

Where consensus is not achieved this should be recorded by the Chair.

Relationship with West Yorkshire Fire and Rescue Authority

In support of its core functions the Board may make a request for information to WYFRA with regard to any aspect of the Scheme Manager function. Any such a request should be reasonably complied with in both scope and timing.

In support of its core functions the Board may make recommendations to WYFRA which should be considered and a response made to the Board on the outcome within a reasonable period of time.



OFFICIAL

Local Pension Board Annual Report 2022 - 23

Local Pension Board

Date: 4 August 2023

Agenda Item:

08

Submitted By: Monitoring Officer

- Purpose** To receive the Annual Report for the Local Pension Board 2022 - 23
- Recommendations** That the Annual Report for the Local Pension Board 2022 - 23 be noted.
- Summary** It is a requirement that the Local Pension Board produces an Annual Report each year setting out activity during the course of the previous year.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson, Committee Services
E: Jik.Townson@westyorksfire.gov.uk
T: 01274 682311 X 671340

Background papers open to inspection: None

Annexes: Annual Report 2022 - 23

1 Introduction

- 1.1 The Local Pension Board is required to submit an Annual Report for formal ratification by West Yorkshire Fire and Rescue Authority's Human Resources Committee as set out in its Terms of Reference.

2 Information

- 2.1 The Annual Report of the Local Pension Board is attached at Annex A.

3 Financial Implications

- 3.1 There are no direct financial implications arising from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no direct human resources and diversity implications arising from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no direct health, safety and wellbeing implications arising from this report.

8 Environmental Implications

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9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Work in a sustainable and environmentally friendly way.
- Achieve a more inclusive workforce, which reflects the diverse communities we serve.



LOCAL PENSION BOARD

Annual Report 2022 - 2023

OFFICIAL

Ownership: Legal and Governance

Date Issued:

Version:

Status: Final



Revision and Signoff Sheet

Change Record

Date	Author	Version	Comments
		V1 – initial draft	To submit to Local Pension Board for final comment and recommendation for approval to HR Committee – 4 August 2023
		V2 – final version	To submit to HR Committee for formal ratification

Reviewers

Name	Version Approved	Position	Organisation	Date
Jik Townson		Committee Services	WYFRA	11.07.23

Distribution

Name	Position	Organisation
Local Pension Board		West Yorkshire Fire and Rescue Authority
Human Resources Committee		6 October 2023

Document Properties

Item	Details
Document Title	LOCAL PENSION BOARD
Author	Administrator
Creation Date	7 July 2022
Last Updated	12 July 2022

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1 Foreword

- 1.1 The purpose of this Annual report is to provide a source of information about the status of West Yorkshire Fire and Rescue Authority Local Pension Board for Scheme members and for the Scheme Manager together with a summary of issues considered in the relevant period (1 April 2022 – 31 March 2023)
- 1.2 In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters’ Pension Scheme (Amendment) (Governance) Regulations 2015, the West Yorkshire Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes.
- 1.3 The Local Government Pension Scheme for Green Book employees is monitored by a separate Local Pension Board established by the West Yorkshire Local Government Pension Scheme and does not form part of this Annual Report.
- 1.4 The Report includes commentary on the following;
- A summary of the work undertaken by the Local Pension Board during 2022 – 23
 - Detail of areas investigated and how these areas were dealt with
 - Any conflicts of interest and how these were managed
 - Any identified risks and other areas of potential concern
 - Any expenses and costs incurred by the Board
 - Gifts and hospitality received by members of the Board
 - Training for Board members
 - Breaches
 - Scrutiny and review
- 1.5 Information has also been categorised in parts of this Annual Report on the basis of the following classifications:

Classification	Action
	Outstanding
	Partially complete
	Complete

2 Membership and Meetings of the Board

- 2.1 The West Yorkshire Fire and Rescue Authority Local Pension Board comprises 6 members as follows (as approved by the Full Authority on 30 June 2022);
- 3 Scheme Member representatives (Ryan Binks, Jim Davies (FBU) and Ian Dunkley)
 - 3 Scheme Manager representatives (Councillors Peter Harrand and Fozia Shaheen, and John Roberts CEx/CFO - Chair) (plus Non-voting Officer Adviser(s) as appropriate)
- 2.2 The Board has met on 2 occasions in the 2022 – 23 year. There was an attendance of 66.7% during the period in question.

3 Work undertaken by the West Yorkshire Fire and Rescue Authority Local Pension Board 2022 – 23

- 3.1 The work undertaken by the Board during the course of the year has been defined by the extant Terms of Reference (initially approved at the 24 June 2016 meeting of the West Yorkshire Fire and Rescue Authority) and as amended in December 2021 with regard to the revised term of office (two years).
- 3.2 During the period 1 April 2022 – 30 June 2023 the following items were considered by the Board;
- Updates on the work with the national Scheme Advisory Board (SAB) & its sub-committee (Ensuring the effectiveness of the Local Pension Board)
 - Pension Fund – Key Performance Indicators and corporate risks
 - Discretions made by the Scheme Manager
 - Annual benefit statements and pension saving statement deadline
 - Annual review of Terms of Reference
 - Pension Risk Register
 - Compliance deadlines and Breaches Register
 - Pensions administration audit
 - Pension Ombudsman sample cases
 - Legislative updates
 - Firefighter Pensions England bulletins
- 3.3 The Activity report (submitted to each meeting) includes detail on the number of;
- pension scheme members across the various schemes
 - number of new scheme members
 - retirees
 - pensioner members
 - deferred members
 - IDRPs stage 1 and 2 complaints
 - Opt-outs
 - Pension estimates requested / processed

3.4 Each agenda also includes the following standing items;

- legislative update (see section 10.)
- scrutiny and review (including discretions, breach and risk registers)
- Pensions ombudsman cases (see section 9.)
- Member training update
- WY Pension Fund key performance indicators

4 Specific Investigations and Board Resolutions

4.1 There were no investigations or actions that required further investigation during 2022/23.

5 Conflicts of interest

5.1 As statutorily required, members of the Local Pension Board complete a Declaration of Interests. The register is maintained by the West Yorkshire Fire and Rescue Authority Committee Services section. Members of the Board reviewed their Declarations in July 2022.

5.2 There have been no declarations made by any member, adviser or attendee at any meeting of the Board during the relevant period.

6 Identified Risks and areas of concern

6.1 No specific risks or areas of concern were raised during the year.

7 Expenses and Costs

7.1 There has been no expenditure or costs incurred within the relevant period for the administration of the Board.

8 Gifts and Hospitality

8.1 There have been no declarations of gifts or hospitality received by Members of the Local Pension Board during the relevant period.

9 Training

9.1 It is a statutory requirement of the Public Service Pensions Act 2013 that members of the Local Pension Board should have the capacity to become conversant with, and develop a knowledge of, detailed related issues in order to effectively carry out their duties.

9.2 In this respect monthly bulletins from LGA Pension Advisory Service have been provided along with the summaries and decisions on cases dealt with by the Pension Ombudsman, which serve as a learning tool for LPB members.

10 Legislative Updates

10.1 As a statutory requirement, members of the Local Pension Board have been provided with regular legislative updates.

10.2 The following have been provided during the relevant period;

- Public Service Pensions & Judicial Offices Act 2022, Finance Act 2022,
- Immediate Detriment Framework,

- Matthews – Second Option Exercise,
- Judicial Review into Remedy Costs,
- Age Discrimination Remedy,
- Remedy Tax Legislation,
- Treasury Directions for PSPJOA 2022,
- Age Discrimination Injury to Feelings claim,
- Judicial Review into 2016 Cost Cap Valuation

11 Scrutiny and Review

11.1 Members are required to scrutinise areas relevant to the administration of the Firefighters' Pension Schemes.

11.2 The following areas were scrutinised during the relevant period;

- Pension Risk and breaches policy
- Discretions
- Breaches register
- Pension Risk register
- Compliance deadlines
- Pension administration audit



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Activity Report

Local Pension Board

Date: 4 August 2023

Agenda Item:

09

Submitted By: Chief Employment Services Officer

Purpose	To inform Members of performance in key areas for the period 1 January 2023 to 30 June 2023
Recommendations	That the report is noted
Summary	This report informs Members of the membership statistics and movements for the reporting period, as well as providing a summary of the number of opt-ins/outs, appeals made under the Internal Dispute Resolution Procedure (IDRP) and number of pension estimates processed

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: None

1 Introduction

1.1 This report informs Members of the Authority's key areas relating to the Local Pension Board as follows:

- Number of members across the various schemes
- Membership movements during the reporting period
- Number of opt-ins and opt-outs
- Number of retirements
- Estimates processed
- Number of new firefighter recruits
- Total firefighter headcount
- Number of IDRPs Stage 1 and Stage 2 complaints

2 Information

The number of members under each scheme is where this is their current or most recent scheme. For example, a 2015 scheme member with connected 1992 benefits is included in the 2015 scheme figures.

2.1 Number of active scheme members

Scheme	30 June 2023	31 December 2022
2015 Firefighters' Pension Scheme	1,020	1,008

2.2 Number of pensioner members

Scheme	30 June 2023	31 December 2022
1992 Firefighters' Pension Scheme	2,341	2,353
2006 Firefighters' Pension Scheme	15	15
2006 Special (Modified) Scheme	39	39
2015 Firefighters' Pension Scheme	44	28

2.3 Number of deferred members

Scheme	30 June 2023	31 December 2022
1992 Firefighters' Pension Scheme	81	85
2006 Firefighters' Pension Scheme	90	90
2006 Special (Modified) Scheme	12	12
2015 Firefighters' Pension Scheme	146	143

2.4 Number of opt-ins

2.4.1 In the period 1 January 2023 to 30 June 2023, **2** employees opted into the pension scheme. Please note that this figure does not include new starters. These can be broken down into the following demographics:

Age	Male	Female
18-30	0	0
31-40	2	0
41-50	0	0
51-60	0	0
60+	0	0
Total	2	0

2.5 Number of opt-outs

2.5.1 In the period 1 January 2023 to 30 June 2023, **9** employees opted out of the pension scheme. These can be broken down into the following demographics:

Age	Male	Female
18-30	2	0
31-40	5	0
41-50	2	0
51-60	0	0
60+	0	0
Total	9	0

2.5.2 The most common reason cited for opting out was other financial commitments/cost of the scheme.

2.6 Number of retirements

2.6.1 In the period 1 January 2023 to 30 June 2023, **19** members retired to pension.

2.7 Estimate Requests

2.7.1 In the period 1 January 2023 to 30 June 2023, **57** estimate cases were processed.

2.8 Summary of new recruits

2.8.1 In the period 1 January 2023 to 30 June 2023, we appointed **33** Wholetime Firefighters and **8** On Call Firefighters. Of those, **3** chose to opt out of the pension scheme. These figures include employees who transferred from another service. The new starters can be broken down into the following demographics:

Age	Male	Female
18-30	15	3
31-40	11	6
41-50	4	2
51-60	0	0
60+	0	0
Total	30	11

2.9 Firefighter Head Count

2.9.1 The total number of Firefighter employees on 30 June 2023 was **1,093**. Of these, **1,020** are current pension scheme members.

2.10 Internal Dispute Resolution Procedure (IDRP)

2.10.1 In the period 1 January 2023 to 30 June 2023, **1** appeal was made under the IDRP. The complaint related to the age discrimination identified by the courts. As these matters are in the process of being remedied by legislation, the Stage 1 decision was that the complaint is not upheld.

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below.

- Achieve a more inclusive workforce, which reflects the diverse communities we serve.
- Continuously improve using digital and data platforms to innovate and work smarter.

10 Conclusions

10.1 This report is for information only



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Scrutiny and Review

Local Pension Board

Date: 4 August 2023

Agenda Item:

10

Submitted By: Chief Employment Services Officer

Purpose

To scrutinise and review the following:

- Discretions made by the Scheme Manager
- Breaches register
- Pension Risk Register
- Compliance deadlines

Recommendations

That the report is noted, and further action is taken as identified

Summary

It is one of the requirements of the Local Pension Board that members scrutinise areas relevant to the administration of the Firefighters' Pension Scheme

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: Annex A – Breach Assessment
Annex B – Risk Register
Annex C – TPR Survey Response

1 Introduction

- 1.1 Local Pension Board members are to be conversant with Firefighters' Pension Scheme rules and other administration policies relevant to the schemes.
- 1.2 In accordance with this requirement updates have been provided on the following legislative issues:
- Discretions made by Scheme Manager
 - Breaches register
 - Pension risk register
 - Compliance deadlines

2 Information

2.1 Discretions made by the Scheme Manager

- 2.1.1 For the period from 1 January 2023 to 30 June 2023 the Scheme Manager has been asked to exercise their discretion on one occasion. Details can be found in the table below:

Date	Request	Regulations	Mitigating Factors	Outcome
11/01/2023	Transfer request outside initial 12 months	FPS 2015 Regulation 141(3)	Member had forgotten previous policies existed	Approved - No immediate cost to the Authority and risk of ill health minimal
05/03/2023	Transfer request outside initial 12 months	FPS 2015 Regulation 141(3)	Member had forgotten previous policy existed	Approved - No immediate cost to the Authority and risk of ill health minimal
03/04/2023	Whether abatement to apply following FRA re-employment	FPS 1992 Rule K4	Fire Protection would like the member to be re-employed full-time to gain the most benefit from their skills	Abatement not to apply and costs to be met by WYFRS

2.2 Breaches register

2.2.1 For the period from 1 January 2023 to 30 June 2023 1 breach has been identified.

2.2.2 The Authority has assessed the breach and has determined that it does not need to be reported to The Pensions Regulator. A copy of the assessment can be found at Annex A.

2.3 Pension risk register

2.3.1 The current risk register can be found in Annex B. There are no proposed changes since the previous meeting.

2.4 Compliance Deadlines

2.4.1 Members need to be mindful of the following key milestones of the pension administrative cycle and the dates associated with it:

- Year End deadline – 31 May 2023
- Annual Benefit Statement (ABS) deadline – 31 August 2023
- Pension Saving Statement deadlines – 6 October 2023
- TPR Survey – 17 February 2023

2.4.2 WYFF have confirmed that the year-end return was processed prior to the deadline. They have also issued 99.5% of the benefit statements as of 13 July 2023 and are on track to meet the deadline for the Pension Savings Statements.

2.4.3 The Pensions Regulator issued their Public Service Governance & Administration Survey 2022-23 on 25 January 2023, which was later than the usual deadline of 30 November. This was responded to on 13 February 2023 and a copy of WYFFRS' response can be found at Annex C.

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below; (please delete any that aren't relevant to your report);

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Plan and deploy our resources based on risk.

10 Conclusions

10.1 This report is for information only



Secretariat: bluelight.pensions@local.gov.uk

Breach Assessment Template

Date of assessment

17/07/2023 – James Clarkson and Ian Brandwood

Introduction

An employee's pension scheme history was incorrectly amended on the payroll system by the payroll provider, resulting in the employee receiving a refund of employee pension contributions of £4339.49 that they were not entitled to receive. This came about after the misinterpretation of an instruction by the Pensions Manager to the payroll provider relating to pension remedy.

Identified

This was identified when performing record checks for members who had retired in the previous financial year.

Assessment

[Using the [TPR guidance](#) comment on the four areas and score red, amber or green

	Cause	Effect	Reaction	Wider Implications
Red	Payroll provider incorrectly amended employee’s pension scheme history because of misinterpretation of instructions given by WYFRS.	Employee pension contributions of £4399.49 incorrectly refunded.		
Amber				

Green			Former employee has been contacted to reclaim overpayment and retirement process has been amended to include additional checking of final payslip.	This is an isolated incident, and the steps taken in response should prevent a reoccurrence.
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Action

WYFRS has contacted the former employee to inform them of the error and apologise. Steps are being taken to reclaim the overpayment.

WYFRS and the payroll provider have agreed that, in future, the final payslip will be checked by the Pensions Manager for all retirements where the employee has been offered pension remedy.

History / Frequency

This breach was an isolated incident and should not occur in future because of the additional checks to be performed.

Decision

Report as material breach	
Recorded as breach	X

Assessed by: James Clarkson and Ian Brandwood

Date of assessment: 17/07/2023

Board Review:

Tabled at Board Meeting:

Agreed by board:

Risk Reference	Risk Area 1 - Regulatory and Compliance	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/Specific Risk Reduction Actions	Owner	Test	Next review	Comment
REG1	Failure to put appropriate governance arrangements in place and monitor risk	2	7	14	<ul style="list-style-type: none"> Scheme Manager and Pension Board awareness of legal responsibilities Pension Board given up to date information on legal responsibilities Terms of reference in place and under review Procedures for assessing and managing risk Procedure to identify, assess and report breaches Suitable frequency of Pension Board meetings 	Pension Board Chair Scheme Manager Scheme Manager Scheme Manager Scheme Manager	As Required Annual Annual Annual Annual		Risk Register Policy agreed in July 2019 Breach Policy agreed in July 2019
REG2	Failure to interpret rules or legislation correctly	2	7	14	<ul style="list-style-type: none"> Appropriate Pension Board Member training Up to date and documented training log, showing completion of scheme-specific training and The Pensions Regulator's educational material Technical advice and regular updates made available Ongoing process for acquiring relevant knowledge and understanding, with regular refresher Training of new Pension Board Members Awareness and understanding of relevant documentation as per TPR Code of Practice 14 paras 42-46 	Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Annual Ongoing Ongoing As Required Annual	LPB Meetings LPB Meetings LPB Meetings	Training records reviewed and maintained Legislative update is a standing item on the agenda Encouraged to attend LGA seminars, provided with monthly bulletins and given an overview of recent PO decisions Provided access to TPR online training and training from LGA
REG3	Conflicts of Interest	2	5	10	<ul style="list-style-type: none"> All Pension Board members to declare any conflicts Conflicts of interest policy in place and fully understood Request for interests to be declared at each meeting 	Scheme Manager Scheme Manager	Ongoing Ongoing	Jul-24 LPB Meetings	Standing item on LPB agenda
REG4	Failure to comply with TPR deadlines	5	7	35	<ul style="list-style-type: none"> All pension Board members to keep up to date with TPR compliance deadlines Training of new Pension Board Members Technical advice and regular updates made available at LPB meetings 	Scheme Manager Scheme Manager	Ongoing Ongoing		
Risk Reference	Risk Area 2 - Operations	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
OPS1	Member data incomplete or inaccurate	5	7	35	<ul style="list-style-type: none"> Data management and monitoring requirements under SLA fully understood and deemed adequate Monthly processes to monitor records and carry out reconciliation Monthly KPI reporting on data issues - provide summary at each LPB meeting Data review arrangements in place including periodic address cleanse Process to enact a Data Improvement Plan and report breaches, if required Formal SLA in place with third party administrator and monitoring arrangements assessed as adequate Quarterly client meetings and monthly reports including KPIs Ongoing dialogue between Scheme Manager and third party administrator, including process improvement plans Clear identification of roles, authority levels, data security and data protection processes Audit reporting on both third party administrator and Scheme Manager's processes Disaster Recovery Plans up to date and appropriate Ability to commission independent assurance report, if required 	Scheme Manager Administrator/Scheme Manager Administrator/Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Monthly Ongoing As Required As Required	Jul-24 Jul-24 Jul-24 Jul-24	Monthly return sent to WYFF for immediate reconciliation Monthly report received from WYFF Done via monthly return, WYFFS verify any changed addresses Breach Policy agreed in July 2019
OPS2	Administration process failure / maladministration	4	8	32	<ul style="list-style-type: none"> Communication requirements fully understood and The Pensions Regulator's recommendations applied Communications provided under SLA fully understood and deemed adequate for basic requirements Ad hoc communications provided by LGA Pensions Adviser monitored, fully understood and tailored as necessary Develop Communications Strategy and keep under review Business continuity procedures in place Third party scheme administrator Disaster Recovery Plan up to date and appropriate Scheme Manager Disaster Recovery Plan up to date and appropriate Contracts and other essential documents recorded on a central database Administrator awareness of actions required if challenge successful 	Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Monthly Ongoing Ongoing Annual Annual Annual Annual	Jul-24 Jul-24 Jul-24 Jul-24 Jul-24 Jul-24 Jul-24	Quarterly meetings attended by Pensions Manager Monthly report received from WYFF
OPS3	Inadequate, late or inaccurate communications	5	7	35	<ul style="list-style-type: none"> Communication requirements fully understood and The Pensions Regulator's recommendations applied Communications provided under SLA fully understood and deemed adequate for basic requirements Ad hoc communications provided by LGA Pensions Adviser monitored, fully understood and tailored as necessary Develop Communications Strategy and keep under review 	Scheme Manager Scheme Manager Scheme Manager	Annual Ongoing Annual	Jul-24 Jul-24 TBC	To be developed
OPS4	Operational disaster	1	6	6	<ul style="list-style-type: none"> Business continuity procedures in place Third party scheme administrator Disaster Recovery Plan up to date and appropriate Scheme Manager Disaster Recovery Plan up to date and appropriate Contracts and other essential documents recorded on a central database 	Scheme Manager Scheme Manager Scheme Manager	Annual Annual Annual	As per internal audit cycle As per internal audit cycle As per internal audit cycle	
OPS5	Legal challenge to 2016 Cost Cap Valuation may result in retrospective benefit adjustments	2	5	10	<ul style="list-style-type: none"> Administrator awareness of actions required if challenge successful Plan for system configuration updates Communications to affected members 	Administrator/Scheme Manager Administrator/Scheme Manager	Ongoing Ongoing	Temporary risk until case decided Temporary risk until case decided	Update July 2023: Unions given permission to appeal to Court of Appeal
Risk Reference	Risk Area 3 - Financial	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
FIN1	Excessive charges by suppliers/additional liabilities on the operating budget	3	2	6	<ul style="list-style-type: none"> Regular checks of transactions and charges against contract terms/ robust methodology used to forecast pension accounting data Annual review of scheme budget, quarterly review of cost incurred against budget Periodic review of suppliers Processes in place to ensure robustness of method to forecast and calculate pension accounting data. Liaise with third party administrator when making forecasting assumptions 	Scheme Manager Scheme Manager Scheme Manager	Quarterly Annual Annual	Jul-24 Jul-24 Jul-24	
FIN2	Fraud/Fraudulent behaviour	1	10	10	<ul style="list-style-type: none"> Budget monitoring and appropriate payment processes including use of authorised signatories and data validation Monitor incoming and outgoing scheme funds and membership movements against scheme forecasts - reconcile actual transactions against forecasts Authorisation of transactions in accordance with audit requirements and carried out by authorised signatories only Robust data validation processes in place by third party administrator and Scheme Manager to ensure all transactions authentic Audit reporting on both third party administrator and Scheme Manager's processes 	Scheme Manager Scheme Manager Administrator/Scheme Manager Scheme Manager	Monthly Ongoing Ongoing Annual	Jul-24 As per internal audit cycle As per internal audit cycle As per internal audit cycle	
Risk Reference	Risk Area 4 - Funding	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
FIN1	Employer failure to pay correct contributions into scheme	1	10	10	<ul style="list-style-type: none"> Contribution deductions and payments - monthly reconciliation of schedule of payments due and amount paid across Processes in place to comply with regulatory requirements on contribution rates and pensionable pay definitions Suitable reporting and reconciliation processes in place ahead of payment including checks on changes in contract and transition to 2015 Scheme 	Scheme Manager Scheme Manager	Ongoing Monthly	As per internal audit cycle As per internal audit cycle	

The Pensions Regulator

Public Service Governance and Administration Survey 2022-23

This document is intended to be used as a guide to help you gather the information required for the survey. Please note, however, that we need you to complete the questionnaire through the [online survey link](#) contained in your invitation email.

Thank you for taking the time to complete this survey. Please answer the questions in relation to the scheme referenced in your invitation email. Where the scheme is locally administered, we mean the sub-scheme or fund administered by the local scheme manager.

Your responses will be kept anonymous unless you consent otherwise at the end of the survey. Linking your scheme name to your answers will help inform The Pensions Regulator's (TPR's) engagement with you in the future.

This survey should be completed by the scheme manager or by another party on behalf of the scheme manager. They should work with the pension board chair to complete it, and other parties (e.g. the administrator) where appropriate.

There is a space at the end of the survey to add comments about your answers where you feel this would be useful.

SECTION A – GOVERNANCE

The first set of questions is about how your pension board works in practice.

A1. EVERYONE TO ANSWER

Focusing on the scheme's pension board meetings in the last 12 months, please tell us the following:

Please write in the number for each of a-c below. Please include any board meetings that were held remotely (e.g. via teleconference or online meeting software)

- | | |
|--|----------|
| a) Number of board meetings that were <u>scheduled</u> to take place (in the last 12 months) | 2 |
| b) Number of board meetings that actually <u>took place</u> (in the last 12 months) | 2 |
| c) Number of board meetings that were attended by the scheme manager or their representative (in the last 12 months) | 2 |

A2. ANSWER IF KNOW NUMBER OF BOARD MEETINGS THAT TOOK PLACE (A1b=0+)

Thinking about the number of pension board meetings that took place, was this more, the same or less than in the previous 12 month period?

Please select one answer only

1. More
2. Same
- 3. Less**
4. Don't know

A3. EVERYONE TO ANSWER

Do the scheme manager and pension board have sufficient time to run the scheme properly?

Please select one answer only

1. Yes
2. No
3. Don't know

A4. EVERYONE TO ANSWER

Do the scheme manager and pension board have sufficient resources to run the scheme properly?

By resources we mean staffing, IT/systems and available budget.

Please select one answer only

1. Yes
2. No
3. Don't know

A5. EVERYONE TO ANSWER

Do the scheme manager and pension board have access to all the knowledge, understanding and skills necessary to properly run the scheme?

Please select one answer only

1. Yes
2. No
3. Don't know

A6. EVERYONE TO ANSWER

How often does the scheme manager or pension board carry out an evaluation of the knowledge, understanding and skills of the board as a whole in relation to running the scheme?

Please select one answer only

1. At least monthly
2. At least quarterly
3. At least every six months
4. At least annually
5. Less frequently
6. Never
7. Don't know

A7. EVERYONE TO ANSWER

On average, how many hours of training per year does each pension board member have in relation to their role on the pension board?

Please write in the number below

0 hours per year

A8. EVERYONE TO ANSWER

Does the pension board believe that in the last 12 months it has had access to all the information about the operation of the scheme it has needed to fulfil its functions?

Please select one answer only

1. Yes
2. No
3. Don't know

A9. EVERYONE TO ANSWER

Does the scheme have a succession plan in place for the members of the pension board?

By this we mean a plan or process for how you will find, appoint and train suitable new members of the pension board to replace any existing board members who leave or retire.

Please select one answer only

1. Yes
2. No
3. Don't know

SECTION B – MANAGING RISKS

The next set of questions is about managing risks.

B1. EVERYONE TO ANSWER

Does your scheme have any of the following?

Please select one answer per row

	Yes	No	Don't know
a) Its own documented procedures for assessing and managing risk (<i>please select 'No' if your scheme relies on your local authority's documented procedures for assessing and managing risk</i>)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Its own risk register (<i>please select 'No' if your scheme relies on your local authority's risk register</i>)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) A documented policy to manage the pension board members' conflicts of interest	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Processes to monitor records for all membership types on an ongoing basis to ensure they are accurate and complete	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) A process for monitoring the payment of contributions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) A process for resolving contribution payment issues	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Procedures to identify breaches of the law	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Procedures to assess breaches of the law and report these to TPR if required	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) A process for dealing with remediation (<i>by 'remediation' we mean the actions required to remedy the age discrimination in the 2015 schemes. This is also often referred to as either 'McCloud' or 'Sergeant'</i>)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
j) A process to monitor resourcing levels and address any issues	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

B2. ANSWER IF HAVE ANY OF THE RISK MANAGEMENT PROCESSES (YES AT ANY OF B1a-j)**When were these last reviewed by the scheme manager or pension board?**

<i>Please select one answer per row (just for those selected at B1)</i>	In the last 12 months	More than 12 months ago but less than 3 years ago	More than 3 years ago	Never been reviewed	Don't know
a) The scheme's own documented procedures for assessing and managing risk	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) The scheme's own risk register	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) The documented policy to manage the pension board members' conflicts of interest	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) The processes to monitor records for all membership types on an ongoing basis to ensure they are accurate and complete	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) The process for monitoring the payment of contributions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) The process for resolving contribution payment issues	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) The procedures to identify breaches of the law	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) The procedures to assess breaches of the law and report these to TPR if required	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) The process for dealing with remediation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
j) The process to monitor resourcing levels and address any issues	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B3. EVERYONE TO ANSWER**In the last 12 months, how many pension board meetings reviewed the scheme's exposure to new and existing risks?***Please write in the number below***1**

B4. EVERYONE TO ANSWER

To what do the top three governance and administration risks on your register relate? If you do not have a risk register, please tell us what the top three governance and administration risks facing your scheme relate to.

Please select up to three options below

1. Securing compliance with changes in scheme regulations
2. Ensuring the scheme is compliant with the pensions dashboards requirements
3. Lack of resources/time
4. Recruitment and retention of staff or knowledge
5. Remediation (i.e. the actions required to remedy the age discrimination in the 2015 schemes; also referred to as 'McCloud' or 'Sergeant')
6. Other ongoing court cases
7. Record-keeping (i.e. the receipt and management of correct data)
8. Production of annual benefit statements
9. Systems failures (IT, payroll, administration systems, etc.)
10. Cyber risk (i.e. the risk of loss, disruption or damage to a scheme or its members as a result of the failure of its IT systems and processes)
11. Administrator issues (expense, performance, etc.)
12. Guaranteed Minimum Pension (GMP) reconciliation
13. Scheme funding or investment
14. Other (please specify):
15. Don't know

B5. EVERYONE TO ANSWER

Which, if any, of the following actions have you taken in relation to the remediation proposals?

By 'remediation' we mean the actions required to remedy the age discrimination in the 2015 schemes. This is also often referred to as either 'McCloud' or 'Sergeant'.

Please select all the options that apply

1. Assessed the possible administration impacts
2. Assessed the data requirements
3. Commenced a specific data cleansing or data gathering exercise
4. Carried out immediate detriment calculations
5. Assessed any additional resources likely to be required
6. Discussed system requirements with IT suppliers
7. Recruited or made plans to recruit additional staff
8. Secured budget for additional requirements
9. Engaged with your Scheme Advisory Board or relevant authority
10. Provided specific information to members
11. Established a dedicated project team
12. Taken other actions (please specify):
13. None of these
14. Don't know

SECTION C – ADMINISTRATION AND RECORD-KEEPING PROCESSES

The next set of questions is about administration and record-keeping.

C1. EVERYONE TO ANSWER

Does the scheme have an administration strategy?

By this we mean policies and procedures that set out the responsibilities of the scheme and its employer(s).

Please select one answer only

1. Yes
2. No
3. Don't know

C2. EVERYONE TO ANSWER

Which of the following best describes the scheme's administration services?

Please select one answer only

1. Delivered in house
2. Undertaken by another public body (e.g. a county council) under a shared service agreement or outsource contract
3. Outsourced to a commercial third party
4. Other
5. Don't know

C3. EVERYONE TO ANSWER

In the last 12 months, how many pension board meetings had administration as a dedicated item on the agenda?

Please write in the number below

2

C4. EVERYONE TO ANSWER

Does the scheme's administrator have a formal data management plan or policy?

A data management plan or policy formally records the scheme's approach to managing and improving its pension scheme data.

Please select one answer only

1. Yes
2. No
3. Don't know

C5. ANSWER IF HAVE A DATA MANAGEMENT PLAN/POLICY (C4=1)**Does this data management plan or policy set out any of the following?***Please select one answer per row*

	Yes	No	Don't know
a) What data is held or used	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
b) Where data is received from or transferred to	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Processes for receiving, sharing and managing data	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
d) Data quality controls in place (e.g. validation checks)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
e) The approach to measuring data and steps being taken to improve data (e.g. an improvement plan)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) A data governance framework	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

C6. ANSWER IF HAVE A DATA MANAGEMENT PLAN/POLICY (C4=1)**How often is this data management plan or policy reviewed?***Please select one answer only*

1. Annually or more often
2. Every 2 years
3. Less often
4. Don't know

C7. EVERYONE TO ANSWER**Is your scheme single employer or multi-employer?***Please select one answer only*

1. Single employer scheme (i.e. used by just one employer)
2. Multi-employer scheme (i.e. used by several different employers)

C8. ANSWER IF SINGLE EMPLOYER SCHEME (C7=1)**In the last 12 months, has your participating employer...***Please select one answer per row*

	Yes	No	Don't know
a) Always provided you with accurate and complete data?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Always submitted the data required each month to you on time?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

C9. ANSWER IF SINGLE EMPLOYER SCHEME (C7=1)**And in the last 12 months, has your participating employer submitted data to you electronically?***Please select one answer only*

1. Yes – all data
2. Yes – some but not all data
3. No
4. Don't know

C10. ANSWER IF MULTI-EMPLOYER SCHEME (C7=2)

In the last 12 months, what proportion of your scheme's employers have...

Please write in the percentage (from 0% to 100%) in each box. If you don't know exactly, please give approximate percentages

- ~~a) Always provided you with accurate and complete data?~~ %
- ~~b) Always submitted the data required each month to you on time?~~ %

C11. ANSWER IF MULTI-EMPLOYER SCHEME (C7=2)

And in the last 12 months, what proportion of your scheme's employers have...

Please write in the percentage (from 0% to 100%) for each of a-c below. If you don't know exactly, please give approximate percentages. The percentages in the three boxes should add up to 100%

- ~~a) Submitted all data to you electronically?~~ %
- ~~b) Submitted some but not all data to you electronically?~~ %
- ~~c) Not submitted any data to you electronically?~~ %

C12. EVERYONE TO ANSWER

Do you automatically test the data received from the employer(s) (i.e. automatic validation)?

For example, checking that there are no duplicate National Insurance numbers or that postcodes are in a valid format.

Please select one answer only

- 1. Yes**
- 2. No
- 3. Don't know

C13. EVERYONE TO ANSWER

Do you provide information or training to employers on the data they need to provide?

Please select one answer only

- 1. Yes**
- 2. No
- 3. Don't know

C14. EVERYONE TO ANSWER

In the last 2 years, would you say that the budget you've spent on managing or improving the scheme's data has increased, stayed the same or decreased?

In this context we're referring to data about scheme members such as personal identifiers (e.g. name, national insurance number), contribution records, etc.

Please select one answer only

- 1. Increased**
- 2. Stayed the same
- 3. Decreased
- 4. Don't know

C15. ANSWER IF BUDGET FOR MANAGING/IMPROVING DATA HAS INCREASED (C14=1)

What were the reasons for this increased spend on managing or improving the scheme's data?

Please select all the options that apply

1. Increased focus or scrutiny by TPR
2. Improved understanding of the risks facing the scheme
3. To address issues identified through a data review, complaint or audit
4. To prepare for transition to a new administrator
5. To prepare for the pensions dashboards
6. To prepare for remediation
7. To deliver other special projects (e.g. GMP equalisation)
8. To reduce errors and complaints
9. To drive efficiencies and cost savings
10. To deliver improved services to members (e.g. online portals)
11. Other reason (please specify):
12. Don't know

C16. EVERYONE TO ANSWER

In the next 2 years, do you expect your budget for managing or improving data to...?

Please select one answer only

1. Increase
2. Stay the same
3. Decrease
4. Don't know

C17. EVERYONE TO ANSWER

In the last 2 years, would you say that the investment you've made in administration technology or automation has increased, stayed the same or decreased?

Please select one answer only

1. Increased
2. Stayed the same
3. Decreased
4. Don't know

C18. ANSWER IF INVESTMENT IN ADMINISTRATION TECHNOLOGY/AUTOMATION HAS INCREASED (C17=1)

What were the reasons for this increased investment in administration technology or automation?

Please select all the options that apply

1. Increased focus or scrutiny by TPR
2. To prepare for the pensions dashboards
3. To prepare for remediation
4. To reduce errors and complaints
5. To drive efficiencies and cost savings
6. To deliver improved services to members (e.g. online portals)
7. To implement digital or biometric checks
8. Other reason (please specify):
9. Don't know

C19. EVERYONE TO ANSWER

In the next 2 years, do you expect your budget for administration technology or automation to...?

Please select one answer only

- 1. Increase
- 2. Stay the same
- 3. Decrease
- 4. Don't know

C20. ANSWER IF BUDGET FOR MANAGING/IMPROVING DATA OR INVESTMENT IN ADMINISTRATION TECHNOLOGY/AUTOMATION HAS INCREASED (C14=1 OR C17=1)

You mentioned that you have increased your spend on managing/improving data or on administration technology/automation in the last 2 years. Has this resulted in any of the following benefits?

Please select all the options that apply

- 1. Reduced errors or complaints
- 2. Efficiencies and cost savings
- 3. Improved services to members
- 4. Greater member engagement
- 5. Other benefits (please specify):
- 6. None of these
- 7. Don't know

SECTION D – ANNUAL BENEFIT STATEMENTS

The next set of questions is about members' annual benefit statements.

D1a. EVERYONE TO ANSWER

In 2022, in which of the following ways were your active members sent their annual benefit statements?

Please select all the options that apply

- 1. Via a digital online portal, with notification by email
- 2. Via a digital online portal, with notification by letter
- 3. Via a digital online portal, with no notification
- 4. By post
- 5. Other way(s) (please specify):
- 6. Don't know

D1b. ANSWER IF USED MORE THAN ONE METHOD TO SEND ANNUAL BENEFIT STATEMENTS AT D1a

In 2022, what proportion of your active members were sent their annual benefit statements in each of these ways?

Please write in the percentage (from 0% to 100%) for each of a-e below. If you do not know exactly, please give approximate percentages

- a) Via a digital online portal, with notification by email 71.24 %
- b) Via a digital online portal, with notification by letter 28.11 %
- c) Via a digital online portal, with no notification %
- d) By post 0.65%
- e) Other way(s) (please specify): %

D2. EVERYONE TO ANSWER

In 2022, what proportion of active members received their annual benefit statements by the statutory deadline?

Please write in the percentage below. If you do not know exactly, please give an approximate percentage

100%

~~D3. ANSWER IF DEADLINE WAS MISSED FOR ANY MEMBERS (D2=0-99%)~~

~~Was the missed deadline for issuing active member statements reported to TPR?~~

Please select one answer only

- ~~1. Yes – and Breach of Law report made~~
- ~~2. Yes – but decided not to make a Breach of Law report~~
- ~~3. No – not reported~~
- ~~4. Don't know~~

~~D4. ANSWER IF MISSED DEADLINE WAS NOT REPORTED TO TPR (D3=3)~~

~~What was the main reason for not reporting the breach?~~

Please select one answer only

- ~~1. Not material – few statements affected~~
- ~~2. Not material – very short delay~~
- ~~3. Other reason (please specify):~~
- ~~4. Don't know~~

D5. EVERYONE TO ANSWER

What proportion of all the annual benefit statements the scheme sent out in 2022 contained all the data required by regulations?

Please write in the percentage below. If you do not know exactly, please give an approximate percentage

100%

D6. EVERYONE TO ANSWER

Looking forwards, how confident are you that all active members will receive their annual benefit statements by the statutory deadline in 2023?

Please select one answer only

- a) Very confident**
- b) Fairly confident
- c) Not particularly confident
- d) Not at all confident
- e) Don't know

SECTION E – REPORTING BREACHES

The next set of questions is about the scheme's approach to dealing with any breaches of the law.

E1. EVERYONE TO ANSWER

Do you maintain documented records of any breaches of the law identified?

Please select one answer only

- 1. Yes**
2. No
3. Don't know

E2. ANSWER IF MAINTAIN RECORDS OF BREACHES OF THE LAW (E1=1)

Do these records include the decision taken on whether or not to report the breach of the law to TPR?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

E3. EVERYONE TO ANSWER

Does the pension board receive reports on any breaches of the law identified?

Please select one answer only

- 1. Always
- 2. Sometimes
- 3. Never
- 4. Don't know

E4. EVERYONE TO ANSWER

In the last 12 months, have you identified any breaches of the law that were not related to annual benefit statements?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

E5. ANSWER IF ANY BREACHES OF THE LAW NOT RELATED TO ANNUAL BENEFIT STATEMENTS HAVE BEEN IDENTIFIED IN THE LAST 12 MONTHS (E4=1)

What were the root causes of the breaches identified?

Please select all the options that apply

- 1. ~~Systems or process failure~~
- 2. ~~Failure to maintain records or rectify errors~~
- 3. ~~Management of transactions (e.g. errors or delays in payments of benefits)~~
- 4. ~~Failure of the employer(s) to provide timely, accurate or complete data~~
- 5. ~~Late or non-payment of contributions by the employer(s)~~
- 6. ~~Other employer-related issues (please specify):~~
- 7. ~~Something else (please specify):~~
- 8. ~~Don't know~~

E6. ANSWER IF ANY BREACHES OF THE LAW NOT RELATED TO ANNUAL BENEFIT STATEMENTS HAVE BEEN IDENTIFIED IN THE LAST 12 MONTHS (E4=1)

In the last 12 months, have you reported any breaches to TPR as you thought they were materially significant? Please do not include any breaches that related to annual benefit statements.

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

SECTION F – IMPROVEMENTS TO GOVERNANCE AND ADMINISTRATION

The next set of questions is about your progress in addressing governance and administration issues.

F1. EVERYONE TO ANSWER

What do you believe are the top **three** factors behind any improvements made to the scheme's governance and administration in the last 12 months?

Please select up to three options below

1. Improved understanding of underlying legislation and standards expected by TPR
2. Improved engagement by TPR
3. Improved understanding of the risks facing the scheme
4. Resources increased or redeployed to address risks
5. Administrator action (please specify):
6. Scheme manager action (please specify):
7. Pension board action (please specify):
8. Other (please specify):
9. No improvements made to governance/administration in the last 12 months
10. Don't know

F2. EVERYONE TO ANSWER

What are the main **three** barriers to improving the governance and administration of your scheme over the next 12 months?

Please select up to three options below

1. Lack of resources or time
2. Complexity of the scheme
3. The volume of changes that are required to comply with legislation
4. Recruitment, training and retention of staff and knowledge
5. Lack of knowledge, effectiveness or leadership among key personnel
6. Poor communications between key personnel (board, scheme manager, administrator, etc.)
7. Employer compliance
8. Issues with systems (IT, payroll, administration systems, etc.)
9. The remediation process (also referred to as 'McCloud' or 'Sergeant')
10. The pensions dashboards requirements
11. Other (please specify):
12. There are no barriers
13. Don't know

SECTION G – PENSIONS DASHBOARDS

Government has been working on legislation to enable the development of pensions dashboards. Pensions dashboards are digital interfaces such as websites or apps which will enable a person to see all their pensions in one place.

G1. EVERYONE TO ANSWER

The Pension Schemes Act 2021 contains provisions to require trustees and scheme managers to provide data to savers through pensions dashboards. Before today, were you aware of this change to pensions law?

Please select one answer only

1. Yes – aware of this change to pensions law
2. No – heard of pension dashboards but not aware of this change to pensions law
3. No – hadn't heard of pensions dashboards before this survey
4. Don't know

G2. ANSWER IF AWARE OF PENSIONS DASHBOARDS (G1=1, 2 OR 4)

As far as you know, has the scheme manager or a member of the pension board done any of the following?

Please select all the options that apply

1. Attended or viewed a TPR pensions dashboards webinar
2. Listened to a TPR pensions dashboards podcast
3. Read TPR's guidance on pensions dashboards
4. Engaged with any other material put out by TPR regarding pensions dashboards (please specify): Checklist
5. None of these
6. Don't know

G3. ANSWER IF READ TPR'S GUIDANCE ON PENSIONS DASHBOARDS (G2=3)

How useful did the scheme manager and/or pension board find TPR's guidance on pensions dashboards?

Please select one answer only

1. Very useful
2. Fairly useful
3. Not particularly useful
4. Not at all useful
5. Don't know

SECTION H – CLIMATE CHANGE (FOR LOCAL GOVERNMENT SCHEMES ONLY)

The next set of questions is about climate change.

H1. ANSWER IF LOCAL GOVERNMENT SCHEME (LGPS)

Firstly, has your scheme allocated time or resources to assessing any financial risks and opportunities associated with climate change?

Please select one answer only

1. Yes
2. No
3. Don't know

H2. ANSWER IF ALLOCATED TIME/RESOURCES TO CLIMATE CHANGE (H1=1)

Which of the following processes do you use to manage climate-related risks and opportunities?

Please select one answer per row

	Yes	No	Don't know
a) Include climate related issues as a regular agenda item at pension board meetings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Assign responsibility for climate related issues to a specified individual or sub-committee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Include, monitor and review targets in the scheme's climate policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Add climate related risks to your risk register	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Include climate related topics in your pension board training plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

H3. ANSWER IF ALLOCATED TIME/RESOURCES TO CLIMATE CHANGE (H1=1)

Have you taken any of the following actions on stewardship in order to help with your management of climate risks?

By stewardship we mean the responsible allocation, management and oversight of capital to create long term value for pension scheme members.

Please select one answer per row

	Yes	No	Don't know
a) Talked to advisers and asset managers about how climate related risks and opportunities are built into their engagement and voting policies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) When appointing new asset managers, asked the prospective manager how they include climate factors in engagement and voting behaviour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) When outsourcing activities, set out in legal documents your expectations on climate stewardship and approaches (e.g. in the Investment Management Agreement or in side letters to pooled fund documentation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Joined collaborative engagement efforts on climate change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Signed the UK Stewardship Code	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

SECTION I – TPR CODES OF PRACTICE AND GUIDANCE

The next set of questions is about TPR's Codes of Practice and guidance.

11. EVERYONE TO ANSWER

Before this survey, were you aware that TPR produces...?

Please select one answer per row

	Yes	No	Don't know
a) Codes of Practice (a Code of Practice is not a statement of law, but sets out the standards of conduct and practice that TPR expects)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Guidance (guidance refers to material published by TPR intended to help explain particular matters or provide examples of good practice)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) The Public Service Toolkit (the Public Service Toolkit is a free online learning programme for pension board members, and others, to improve their knowledge of their role)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

I2. ANSWER IF AWARE OF TPR CODES OF PRACTICE, GUIDANCE OR TOOLKIT (YES AT ANY OF I1a-c)**When did you last use or consult any of...?**

<i>Please select one answer per row (just for those aware of at I1)</i>	In the last 3 months	4-6 months ago	7-12 months ago	Over 12 months ago	Never	Don't know
a) TPR's Codes of Practice	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) TPR's guidance	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) TPR's Public Service Toolkit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

I3. ANSWER IF EVER USED TPR CODES OF PRACTICE AT I2a**Which of the following Codes of Practice have you ever used or consulted?***Please select all the options that apply*

1. Governance and administration of public service pension schemes (Code 14)
2. Any other TPR Codes of Practice
3. None of these
4. Don't know

I4. EVERYONE TO ANSWER**Most of TPR's Codes of Practice will soon be replaced by a new 'Single Code'. Before this survey, were you aware of the introduction of a Single Code of Practice?***Please select one answer only*

1. Yes
2. No
3. Don't know

I5. ANSWER IF AWARE OF TPR SINGLE CODE (I4=1)**Based on what you know about it, to what extent do you agree or disagree that the Single Code of Practice will...?**

<i>Please select one answer per row</i>	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
a) Improve how this scheme is governed	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Increase the work required by this scheme to meet TPR's expectations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Make it easier to understand TPR's expectations	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

SECTION J – TPR ENFORCEMENT POLICY

The next questions are about TPR’s scheme management enforcement policy.

J1. EVERYONE TO ANSWER

Before this survey, were you aware that last year TPR published a new-look enforcement policy that includes a number of changes?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don’t know

J2. ANSWER IF AWARE OF CHANGES TO TPR’S ENFORCEMENT POLICY (J1=1)

How much do you know about the changes to TPR’s enforcement policy?

Please select one answer only

- 1. A lot about them
- 2. A fair amount
- 3. A little bit
- 4. Nothing
- 5. Don’t know

J3. ANSWER IF ANY KNOWLEDGE OF CHANGES TO TPR’S ENFORCEMENT POLICY (J2=1-3)

Specifically, which of the following changes to TPR’s enforcement policy are you aware of?

Please select all the options that apply

- 1. It is a consolidated version of TPR’s existing policies for DB, DC and public service pension schemes
- 2. It covers TPR’s approach to new fixed and escalating penalty powers
- 3. It covers TPR’s options to use both criminal and regulatory powers in respect of the same set of circumstances
- 4. TPR has new powers to impose high fines for providing false or misleading information to either TPR or scheme trustees
- 5. Any other changes (please specify):
- 6. None of these
- 7. Don’t know

J4. ANSWER IF ANY KNOWLEDGE OF CHANGES TO TPR’S ENFORCEMENT POLICY (J2=1-3)

Have you read TPR’s new-look enforcement policy?

Even if you have only skimmed or partially read the new-look policy please still select ‘yes’.

Please select one answer only

- 1. Yes
- 2. No
- 3. Don’t know

J5. ANSWER IF READ TPR'S NEW-LOOK ENFORCEMENT POLICY (J4=1)**To what extent do you agree or disagree with the following?**

<i>Please select one answer per row</i>	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
a) The new-look policy is easier to use than the previous published policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
b) The new-look policy is easier to navigate than the previous published policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

J6. ANSWER IF ANY KNOWLEDGE OF CHANGES TO TPR'S ENFORCEMENT POLICY (J2=1-3)**Have you made any changes as a result of TPR's new-look enforcement policy?***Please select one answer only*

1. Yes
2. No
3. Don't know

SECTION K – EQUALITY, DIVERSITY AND INCLUSION**The final set of questions is about pension board equality, diversity and inclusion.****K1. EVERYONE TO ANSWER****Diversity data refers to characteristics such as age, gender, ethnicity, religion, etc. Does the scheme formally obtain and record any diversity data in relation to the members of the pension board?****This question is about the pension board not the scheme's members. Please only answer yes if you record diversity data about the members of the pension board.***Please select one answer only*

1. Yes
2. No
3. Don't know

K2. ANSWER IF CAPTURE DIVERSITY DATA ABOUT THE PENSION BOARD (K1=1)**Does the pension board diversity data that you collect cover any of the following?***Please select all the options that apply*

1. Age
2. Disability
3. Gender
4. Race
5. Religion or belief
6. Sexual orientation
7. Gender identity
8. Education (e.g. highest qualification attained)
9. None of these
10. Don't know

K3. ANSWER IF CAPTURE DIVERSITY DATA ABOUT THE PENSION BOARD (K1=1)

Thinking about how the scheme uses this diversity data, does it use it for...?

Please select all the options that apply

1. Recruitment of new pension board members
2. Developing training for pension board members
3. **Monitoring purposes**
4. Anything else (please specify):
5. None of these
6. Don't know

~~**K4. ANSWER IF DO NOT CAPTURE DIVERSITY DATA ABOUT THE PENSION BOARD (K1=2)**~~

~~**Why does the scheme not capture diversity data in relation to the pension board?**~~

~~*Please select all the options that apply*~~

- ~~1. Concerns about data protection legislation~~
- ~~2. No interest in collecting this data~~
- ~~3. No need to collect this data~~
- ~~4. Haven't thought about collecting this data~~
- ~~5. We consider/assess the diversity of the pension board but don't formally record it~~
- ~~6. Other reason (please specify):~~
- ~~7. None of these~~
- ~~8. Don't know~~

SECTION L – ATTRIBUTION

Thank you for completing this survey. Your responses will help TPR understand how schemes are progressing and any issues they may face, which will inform further policy and product developments. Before you submit your answers, there are just a few more questions about your survey responses.

L1. EVERYONE TO ANSWER

Which of the following best describes your role within the pension scheme?

Please select one answer only

1. **Scheme manager***
2. Representative of the scheme manager
3. Pension board chair
4. Pension board member
5. Administrator
6. Other (please specify):

**In this survey 'scheme manager' refers to the definition within the Public Service Pensions Act, e.g. the Local Authority, Fire and Rescue Authority, Police Pensions Authority, Secretary of State/Minister or Ministerial department.*

L2. EVERYONE TO ANSWER

What other parties did you consult with to complete this survey?

Please select all the options that apply

1. Scheme manager
2. Representative of the scheme manager
3. Pension board chair
4. Pension board member
5. **Administrator**
6. Other
7. Did not consult with any other parties

L3. EVERYONE TO ANSWER

To inform TPR’s engagement going forward, they would like to build an individual profile of your scheme by linking your scheme name to your survey answers. This will only be used for internal purposes by TPR and your scheme name would not be revealed in any published report.

Are you happy for your responses to be linked to your scheme name and supplied to TPR for this purpose?

Please select one answer only

- 1. Yes, I am happy for my responses to be linked to my scheme name and supplied to TPR for this purpose
- 2. No, I would like my responses to remain anonymous

L4. EVERYONE TO ANSWER

And would you be happy for the responses you have given to be linked to your scheme name and shared with the relevant scheme advisory board?

This is to help inform the advisory boards of areas for improvement and to further their engagement with pension boards.

Please select one answer only

- 1. Yes, I am happy for my responses to be linked to my scheme name and shared with the relevant advisory board
- 2. No, I would like my responses to remain anonymous

L5. EVERYONE TO ANSWER

TPR may conduct some follow up research on this topic to improve their advice and engagement with schemes such as yours. Would you be willing for us to pass on your name, contact details and relevant survey responses to them so that they, or a different research agency on their behalf, could invite you to take part?

You may not be contacted and, if you are, there is no obligation to take part. Your contact details will be stored for a maximum duration of 12 months, before being securely destroyed.

Please select one answer only

- 1. Yes, I am happy to be contacted for follow-up research
- 2. No, I would prefer not to be contacted for follow-up research

L6. EVERYONE TO ANSWER

Please record your name below. This is just for quality control purposes and will not be passed on to TPR (unless you have agreed that they can contact you for follow-up research).

Please write in below

James Clarkson – Pensions Manager

L7. EVERYONE TO ANSWER

Finally, please use the space below if you have any other comments or would like to clarify/ explain any of the answers you have given.

Please write in below if applicable

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.....

Thank you. Please now submit your responses through the [online survey link](#) contained in your invitation email. If you have any queries or technical issues please contact James Murray (Director, OMB Research) at james.murray@ombresearch.co.uk



OFFICIAL

Pensions Ombudsman Update

Local Pension Board

Date: 4 August 2023

Agenda Item:

11

Submitted By: Chief Employment Services Officer

Purpose To present Members with information on recent Pensions Ombudsman rulings related to the Firefighters' Pension Scheme and other relevant schemes.

Recommendations That the report be noted.

Summary It is a requirement of the Public Service Pensions Act 2013, and subsequent 2015 regulations, for Members of a Local Pension Board to have a knowledge and understanding of the law relating to pensions and such other matters.

It is advised by the Local Government Association that, in order to secure compliance with the legislation relating to the governance and administration of the Firefighter Pension Schemes, Members should review Pensions Ombudsman cases.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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E: james.clarkson@westyorkshire.gov.uk

Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 It is a requirement under the Public Service Pensions Act regulations that Members of a Local Pension Board had a knowledge and understanding of the governance and administration of the relevant pension schemes.

2 Information

- 2.1 There have not been any ombudsman decisions relating to the Firefighters' Pension Scheme published on their website since the previous report, nor any similar public service schemes.

3 Financial Implications

- 3.1 There are no financial implications arising directly from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;
- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
 - Provide ethical governance and value for money.

10 Conclusions

- 10.1 This report is for information only



OFFICIAL

Legislative Update

Local Pension Board

Date: 4 August 2023

Agenda Item:

12

Submitted By: Chief Employment Services Officer

Purpose To provide a legislative update to Members on matters related to the Firefighters' Pension Scheme

Recommendations That the report be noted

Summary It is a requirement of the Public Service Pensions Act 2013 and subsequent 2015 regulations, for Members of a Local Pension Board to have a knowledge and understanding of the law relating to pensions and such other matters. This report provides an update on the latest relevant legislative issues.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: Annex A - WYFRA Remedy Consultation Response
Annex B - LGA Remedy Consultation Response
Annex C - WYFRA Retained Firefighter Pensions Consultation Response
Annex D - LGA Retained Firefighter Pensions Consultation Response

1 Introduction

1.1 It is a requirement under the Public Service Pensions Act regulations that Members of a Local Pension Board have a knowledge and understanding of the governance and administration of the relevant pension schemes.

1.2 In accordance with this requirement an update has been provided on the following legislative issues:

- Age Discrimination Remedy
- Age Discrimination Remedy – Tax Regulations
- Age Discrimination Remedy – Tax Regulations No. 2
- Retained Firefighter Pensions
- SCAPE Discount Rate
- Pensions Dashboards
- Judgment on Cost Cap Mechanism

2 Information

2.1 Age Discrimination Remedy

- 2.1.1 The Home Office [consulted](#) on the retrospective remedy regulations for the Firefighters' Pension Scheme between 28 February 2023 and 23 May 2023. The consultation sought responses from interested parties on the amendments to the regulations needed to enact the second, retrospective, phase of the remedy, as required by the Public Service Pensions and Judicial Offices Act (PSPJOA) 2022. The retrospective remedy will remove the age discrimination that occurred between 1 April 2015 and 31 March 2022 by 'rolling back' all eligible members to their legacy final salary scheme for this period, with effect from 1 October 2023. The regulations cover the Remediable Service Statements that must be provided to all eligible members, how and when members will make their choice of benefits to apply for their remedy service, contributions adjustments, and contingent decisions.
- 2.1.2 Copies of the WYFRS and Local Government Association responses can be found at annexes A and B respectively. A response to the consultation from the Home Office is expected before the summer recess.
- 2.1.3 In early-2023, West Yorkshire Pension Fund (WYPF) provided WYFRS with templates for hours, absence and financial data that they will require to administer the remedy. This allowed WYFRS, using payroll records, to check the data already held by WYPF and provide additional data that will be needed to 'rebuild' the final salary or CARE benefits, where appropriate. The templates were returned to WYPF by their deadline of 30 June 2023.
- 2.1.4 Separate data requests are expected in respect of our immediate detriment pensioners who are yet to have their pensions remedied. WYFRS plans to return this data prior to the implementation date of the remedy so that these members' Remediable Service Statements can be sent without delay.

2.2 Age Discrimination Remedy – Tax Regulations

- 2.2.1 [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) Regulations 2023](#) were laid before parliament on 6 February 2023 and came into force on 6 April 2023. The regulations modify existing tax legislation for eligible members to ensure that they are put in the correct tax position following the implementation of the retrospective remedy. This includes ensuring that contributions paid to the 2015 Firefighters' Pension Scheme remain eligible for tax relief after 'rollback', giving schemes and members additional time to deal with changes to annual allowance positions, and ensuring pensions and lump sums already paid from the 2015 scheme remain authorised.

2.3 Age Discrimination Remedy – Tax Regulations No. 2

- 2.3.1 HMRC released a consultation on [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023](#) on 22 May 2023. These provide additional regulations on areas not covered by the original tax regulations such as additional contributions, pension sharing orders, and various types of additional benefit payments. They also provide for additional time to be given for members to provide information to HMRC on their updated pension tax position following the remedy, as well as a special format, separate to the usual self-assessment submission, to use for providing this information.

2.4 Retained Firefighter Pensions

- 2.4.1 The Home Office [consulted](#) on proposed regulations for the second pension options exercise for current and former retained firefighters between 31 March 2023 and 9 June 2023. The second options exercise will give retained firefighters who were employed between 7 April 2000 and 5 April 2006 the opportunity to purchase service not already bought, going back to the start of their continuous employment. The draft regulations cover eligibility, the timetabling of the exercise, and members' different options for purchasing their service.
- 2.4.2 The draft regulations propose assumptions that can be used where a Fire and Rescue Authority does not hold service or pay data. WYFRS is in the process of analysing our historic data and identifying where gaps exist and where these assumptions should be used.
- 2.4.3 There are several eligible persons where no reliable address data is held because they left employment several years ago. WYFRS has written to the last known address of the person and asked the recipient to contact us to confirm whether the person still lives there. Further detail on what is classed as "reasonable endeavours" to trace members is expected from the Home Office.
- 2.4.4 Copies of the WYFRS and Local Government Association responses can be found at annexes C and D respectively. A response to the consultation from the Home Office is expected after the summer recess.

2.5 SCAPE Discount Rate

- 2.5.1 On 30 March 2023, the Treasury published its [response](#) to the consultation on the method for calculating the SCAPE (Superannuation Contributions Adjusted for Past Experience) discount rate. This is the rate used to discount pension benefits that will be paid in the future to their current value as part of the Firefighters' Pension Scheme valuation process.
- 2.5.2 The government concluded that the existing methodology of basing the rate on long-term future GPD growth expectations, as set by the Office for Budget Responsibility, should be maintained. This has resulted in a rate of CPI plus 1.7% and represents a reduction from the previous rate of CPI plus 2.4%. As the discount rate has reduced, future pension payments will be discounted at a lower rate and therefore have a higher value in today's terms. This will likely result in higher employer contributions being required to meet the increased cost. The government has committed to providing funding for increases in employer contribution rates resulting from the 2020 valuations because of changes to the discount rate. This commitment is for employers whose employment costs are centrally funded through departmental expenditure.
- 2.5.3 In addition, the actuarial factors used for calculating various benefits have been reviewed because of the change in discount rate.

2.6 Pensions Dashboards

- 2.6.1 On [2 March 2023](#), the pensions minister announced a 'reset' of the Pensions Dashboards Programme. This is because the programme requires more time to develop the technology that will enable pension schemes to connect to the dashboards system and respond to information requests from dashboards.
- 2.6.2 A further written ministerial statement was made on [8 June 2023](#), confirming that amended regulations will be laid with a new mandatory connection deadline for all schemes of 31 October 2026. This replaces the previous staging timetable, which required public service pension schemes to connect by 30 September 2024 and provide value date by 1 April 2025.

- 2.6.3 A new timetable will be set out in guidance, to which scheme managers must have regard. It is not yet known whether the expected connection dates for public service pension schemes will be pushed back from the dates above.

2.7 Judgment on Cost Cap Mechanism

- 2.7.1 On [10 March 2023](#) the High Court ruled that the government did not act unlawfully by including the cost of the age discrimination remedy in the cost cap mechanism. Although the judge refused permission to appeal, the Court of Appeal has granted the unions permission to appeal to its court. The impact of the inclusion of remedy costs in the cost cap mechanism is that benefit improvements, which could have been implemented because of a breach of the cost cap floor, could not go ahead.

2.8 Other Updates

- 2.8.1 The [budget](#) contained a series of proposed changes to the pension tax system to make allowances more generous, with the aim of reducing the rate of early retirements and consequent labour shortages in sectors such as the NHS.
- 2.8.2 The Lifetime Allowance (LTA) Tax Charge, which applied to pension savings valued at greater than £1.073m, was removed from 6 April 2023. The government also confirmed that it is intending to abolish the LTA during the 2024/25 tax year. However, the maximum amount of tax-free lump sum that can be taken from a pension has been frozen at £268,275 (i.e., 25% of the existing Lifetime Allowance), other than for members who have existing LTA protection.
- 2.8.3 The Annual Allowance was increased from £40,000 to £60,000 from 6 April 2023. This will result in fewer members being subject to tax charges on their annual pension savings.
- 2.8.4 The following Statutory Instruments have been passed:
- 2023/113 [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) Regulations 2023](#)
 - 2023/134 [The Bereavement Benefits \(Remedial\) Order 2023](#)
 - 2023/338 [The Pensions Increase \(Review\) Order 2023](#)
 - 2023/279 [The LGPS \(Amendment\) Regulations 2023](#)
 - 2023/270 [The Guaranteed Minimum Pensions Increase Order 2023](#)
 - 2023/252 [The Public Service Pensions Revaluation Order 2023](#)

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.

10 Conclusions

10.1 This report is for information only

WYFRA – Retrospective Remedy Consultation Response

We request that you do not provide any personally identifiable information (for example, names, dates, and locations) in your answers to the following questions.

1. In and out of scope: Do the proposed amendments to scheme regulations clearly define which members of the firefighters' pension schemes meet the criteria to be eligible for the remedy?

Yes

No

If no, please explain why.

Eligibility for the remedy is set out in the PSPJOA 2022 and there is no section of the new FPS regulations that deals with this topic. It would be helpful if a summary was included, with reference to PSPJOA 2022, of who is eligible.

2. DCU timing of RSS: Do the policy proposals about the timing of when a scheme member can request an RSS in anticipation of retirement strike the right balance between a suitable period to make a decision, proximity to retirement date and any administrative considerations?

Yes

No

If no, please explain why.

The timings seem overly prescriptive and, given that members can revoke their choice any time before retirement, unnecessary. It is not appropriate for pension regulations to determine when someone should provide notice of their retirement, the timings of which will likely conflict with the notice they are required to give according to their contract of employment. Furthermore, if a member must make a choice within twelve weeks of receipt of the DC RSS, but can revoke and make a further choice at any point before the date their benefits come into payment, why include the twelve-week deadline at all? The regulations should merely stipulate that the member can request their RSS within, say, six months of their intended retirement date, that this must be issued to the member within a certain timeframe, and that the DC election must be made before the benefits come into payment.

3. Ill-health Retirement: Do you think the proposed arrangements for members that qualify for ill-health retirement during the remedy period (1 April 2015 – 31 March 2022) may cause any adverse impacts?

Yes

No

If yes, please explain why.

The regulations stipulate that, where a member who ill-health retired under the FPS 1992 provisions is being reassessed under the reformed scheme, the FRA must ask the IQMP about the member's eligibility at the time of the original decision "or at any time during the relevant period". The latter is defined between the date of original decision and the earlier of five years after this date and 1st April 2022. It is unclear where this "relevant period" is derived from. The regulations should only concern the member's eligibility at the time of the original decision to ensure they would be treated equally to other reformed scheme members.

4. Added pension: Do you think the policy proposals in relation to scheme members with added pension puts all eligible members in the same position?

Yes

No

If no, please explain why.

It seems unnecessary to automatically refund, via compensation, members who have already purchased Added Pension rather than giving members the option of retaining this benefit. It is likely many members opted to purchase this pension for reasons other than the 2015 reforms. For example, they may have wanted to benefit from additional tax relief or boost their retirement income. The FPS 2015 is more generous than the FPS 2006 to members who choose to retire early, so extinguishing this benefit for FPS 2006 members could detrimentally affect them. Most affected members will have service in the reformed scheme from 1 April 2022 so they should have the option of having an Added Pension of equivalent value apply to this service.

5. Transfers: Do you think that the policy proposals that transfers that came into the 2015 reformed pension scheme will be held in the 2015 reformed pension scheme until the point of decision achieves the policy intention of preserving transfer rights?

Yes

No

If no, please explain why.

6. Bereavement: Do the proposed amendments to scheme regulations achieve the policy intention of ensuring that the resulting 'member representative' can make an immediate choice or deferred choice in relation to the remedy period service of a deceased member?

Yes

No

If no, please explain why.

7. Contingent decisions: Do you think that the proposals with regards to contingent decisions give members opportunities to revisit pension benefit decisions taken during the remedy period?

Yes

No

If no, please explain why.

It is not clear how contributions for opted-out service are to be repaid by the member. If this is to be under the same provisions as other liabilities owed by the member to the scheme, for example contributions owed because of being rolled back into the legacy FPS 1992, then it would be helpful for this to be confirmed.

It would also be helpful if further information were provided for how a member can pay contributions for opted-out service that falls outside of the remedy period, given that the guidance confirms that this is not covered by the regulations. If it is not appropriate for this to form part of the regulations themselves, then it should be included in additional accompanying guidance. A significant number of members chose to opt out during the months prior to 1 April 2015 and it would be helpful to know under what provisions, if any, that service up to 31 March 2015 could be bought back.

Additionally, some members opted out prior to 1 April 2015 and transferred their benefits out to a personal pension and may now wish to revisit this. It is unclear from the consultation document and the regulations how this can be reversed. For instance, must the transfer-out have taken place during the remedy period? Must the transfer contain pension rights accrued from 1 April 2015? It would have been helpful if the consultation document could have listed, for this and the other sections, the relevant regulations that apply to each paragraph.

8. Are there any other areas which you think should be addressed in these regulations in order to ensure that all eligible members receive

a choice of pension benefits at their point of retirement, for the period for which the discrimination existed (1 April 2015 - 31 March 2022) on 1 October 2023?

Yes

No

If yes, please explain why.

More detail is required on how FRAs are to process the contributions adjustments. For example, must a member have received their RSS before being able to repay their contributions owed? There is an interest from members in paying these as soon as possible to minimise additional interest. What must be provided to the member once their contributions adjustment has been paid to confirm the liability has been discharged?

9. Are there any additional points not covered in this consultation paper that need to be considered as part of the proposed amendments to scheme regulations?

Yes

No

If yes, please explain why.

10. Do any of the proposed amendments unlawfully discriminate against a particular protected characteristic, fail to advance equality of opportunity between those who share a protected characteristic and those who do not, or fail to foster good relations between people who share a protected characteristic and those who do not?

Yes

No

If yes, please explain why.

Fire Pension Team
Police Workforce and Professionalism Unit
Home Office
6th Floor, Fry Building
2 Marsham Street
London
SW1P 4DF

Sent by email to:

Firepensionspublicservicepensionsremedy@homeoffice.gov.uk

19 May 2023

Consultation on firefighters' pensions retrospective remedy: Local Government Association response

The LGA submits its response to the Home Office consultation seeking views on the draft Firefighters' Pensions (Remediable Service) Regulations 2023 designed to deliver the second set of changes to remove the transitional protections seen between 1 April 2015 and 31 March 2022. Thank you for the opportunity to provide this response.

I respond on behalf of the Local Government Association (LGA). The LGA is a politically led, cross-party membership organisation which represents more than 330 councils of all types and 44 fire authorities across England. We work on behalf of our members to support, promote and improve local government.

The response has been drafted by the Pensions Team at the LGA. The team provide employer and administrator support to various public service pension schemes, including the Local Government Pension Scheme (LGPS) and the Firefighters' Pension Scheme (FPS).

We are pleased to provide our responses to the consultation questions below.

Yours faithfully,



Joanne Donnelly

Head of Pensions

Consultation questions

Question 1. In and out of scope: Do the proposed amendments to scheme regulations clearly define which members of the firefighters' pension schemes meet the criteria to be eligible for the remedy?

1. The LGA notes that, in relation to question one, although the consultation document is entitled Firefighters' Pensions (Amendment) Regulations 2023, the draft regulations do not appear to be amendment regulations and are entitled The Firefighters' Pensions (Remediable Service) Regulations 2023.
2. The draft regulations themselves do not clearly define which members of the firefighters' pension schemes meet the criteria to be eligible for remedy.
3. They state that ““remediable service as a firefighter” means, “in relation to a member, the member’s remediable service in an employment or office that is pensionable service under a firefighters’ pension scheme”.
4. Remediable service itself is defined in the Public Service Pensions and Judicial Offices Act 2022 (PSPJOA) which sets out four conditions in [Section 1](#) which must all be met for service to be considered ‘remediable’.
5. Whilst the draft regulations state that “A term used in these Regulations which—is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and is not defined differently in these Regulations, has the meaning given in, or for the purposes of, that provision”, the LGA feels that reference to the eligibility conditions in the draft regulations would make this clearer for the sector to understand because this is the basis on which all other provisions in the legislation rely. In addition, the nature of the Fire Service with multiple and sometimes simultaneous memberships means that this extra wording could be helpful.

Question 2. DCU timing of Remediable Service Statement (RSS): Do the policy proposals about the timing of when a scheme member can request an RSS in anticipation of retirement strike the right balance between a suitable period to make a decision, proximity to retirement date and any administrative considerations?

6. The LGA believes that the requirement for a deferred choice member to notify the scheme manager of their intention to claim benefits between 12-6 months prior to their intended retirement date under Regulation 12 (2) does not strike the right balance between a suitable period to make a decision and their proximity to their retirement date.
7. We believe that this period is too far in advance of the member’s retirement date and that there is a significant disconnect between this time period and the date by which a member is required to hand their notice in, or when a deferred member would be

written to about their pension benefits coming into payment.

8. It is suggested that the member's deferred choice election is not made any earlier than four months before benefits become payable in line with the [1992 scheme lump sum provisions](#). This is because a member's benefits have the potential to change if such a long period of time lapses between their RSS being issued and their benefits coming into payment.
9. We note that the member must make an election within 12 weeks of the date that the RSS has been issued and that there is provision for the scheme manager to allow an RSS election at such other period that the scheme manager considers reasonable in all the circumstances. Leaving this open to the interpretation of 44 different scheme managers will increase the risk of inconsistency in the Fire sector.
10. Additionally we feel that 12 weeks may not be enough time for some members or dependants to make an election, particularly in cases where a member may require financial advice or in death cases.
11. In relation to making a deferred choice election, the LGA does not feel that there should be a specified timeframe to return a decision. This would relieve an additional burden on administrators who will have to monitor this process.
12. The LGA would like to raise the issue of members retiring soon after the regulations come into force. They will become deferred choice members on that date, but there will not be time for them to make a deferred choice election in line with the proposals in the draft legislation currently. These members will have already given notice, so the deadline for making such a choice will have passed. It would not be right to prevent them from retiring to allow time for such a choice and they should be entitled to retire as expected. It is the LGA's view that a solution for this scenario should be made clear in the regulations.

Question 3. Ill-health Retirement: Do you think the proposed arrangements for members that qualify for ill-health retirement during the remedy period (1 April 2015 – 31 March 2022) may cause any adverse impacts?

13. Yes. The LGA believes that the proposed ill health regulations do not sufficiently legislate for the changes needed for the firefighters' pension schemes to ensure that the age discrimination remedy is enacted accordingly.
14. The LGA believes that the incorrect paragraph has been referred to under Regulation 49(1). We believe this should be "rule 2 of Part 3 of paragraph 2 of Schedule 1 to the 2006 Order" and not paragraph 1.
15. The LGA believes that the incorrect rule and paragraph has been referred to when defining higher tier and lower tier under the 2006 regulations, in regulation 50, and

believes it should read:

“higher tier award” means, in relation to -

(b) the 2006 scheme, an award determined in accordance with rule 2(3) of Part 3 of Paragraph 2 of Schedule 1 of the 2006 Order;

“lower tier award” means in relation to -

(b) the 2006 scheme, an award determined in accordance with rule 2(2) of Part 3 of paragraph 2 of Schedule 1 of the 2006 Order;

16. The LGA has concern over the process which Regulation 51 (3) puts into place concerning whether a 1992 scheme member is entitled to a lower or higher tier ill health award. The regulation states the following:

“The IQMP must—

- a. examine or interview M as the IQMP thinks appropriate,
- b. decide the questions referred to the IQMP under paragraph (2), and
- c. give the authority and M a written opinion containing a decision on those questions.”

17. The LGA’s view is that there should not be a requirement to examine or interview M where it is not necessary. A paper exercise should be sufficient for this exercise. Referring members back for examination where this is not necessary will cause an undue burden on fire authorities as well as IQMPs, and undue distress to members.

18. Regulation 51 (5) states the following:

“For the purpose of deciding the questions in paragraph (2) the IQMP may only have regard to information that was available or could have been produced at the time of the original decision.”

The LGA feels that the word **may** should be changed to **must**. The legislation should be designed to compare the benefits in the alternative scheme based on the same evidence which was used at the time of the original determination. This is highlighted in Regulation 50 (2) of the draft legislation as follows:

“No question relating to M’s entitlement to ill-health benefits that has been decided following referral to an IQMP is to be re-opened by virtue of any provision of PSPJOA 2022 or of these Regulations.”

19. Under reassessment, the consultation document states in paragraph 5.68 that “reassessment is only needed for IC IHR cases. This means a retrospective ill-health

assessment will only be needed for cases where a member (who has remedy period service) has been ill-health retired or dismissed on capability grounds during the remedy period, be that from the legacy scheme or the 2015 reformed pension scheme depending on their circumstances.”

20. The draft legislation does not appear to achieve the policy intent of including those who have been dismissed on capability grounds. The draft legislation under Regulation 49(1) only includes the following scenarios:

“This Chapter applies in relation to an immediate choice member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022, became entitled to—

a. an ill-health award under regulation B3(a) of the 1992 Order;

b. an ill-health pension under rule 2 of Part 3 of paragraph 1 of Schedule 1 to the 2006 Order;

c. an ill-health pension under regulation 65 of the 2014 Regulations.”

21. It is the LGA’s view that the proposed legislation will need amending in order to ensure that cases where members have been dismissed on capability grounds are included within the reassessment exercise.

22. The LGA is of the view that Regulation 51 (6) does not conclude, or provide what should happen if the IQMP does make this decision, and will therefore need amending in order to ensure it does.

23. The LGA also seeks clarification on the reference within the draft legislation to a five year review period quoted under Regulation 51 (7) (b)(i). Although fire authorities do review ill health pensions, a specific five year review period is not a provision of the firefighters’ pension schemes and so it is unclear what the relevance of this part of the regulations is. If this provision is enacted for members affected by the age discrimination remedy, this would mean that they would be treated differently to those members not affected by the age discrimination remedy.

24. Under Chapter 2, Part 7, Regulation 52, the draft regulations state that:

“The scheme manager must, as soon as reasonably practicable after 1st October 2023 and having consulted the scheme actuary, determine the value of M’s remediable ill-health benefits as if they had been secured in M’s alternative scheme.”

No further information is given in relation to the process which happens after that point. It is the LGA’s view that this should then link back to the requirements to issue an RSS

accordingly.

25. Clarity is also sought on the ill health reassessment position of special 2006 members. These members have not been specifically mentioned in the draft legislation however these members, under the pension scheme regulations, are assessed for ill health up to their normal pension age of 55. Therefore a special 2006 member who was awarded an ill health pension would need to be reassessed for entitlement under the FPS 2015 which has a normal pension age of 60.

It is the LGA's view that all cases which require reassessment should be detailed in the proposed regulations.

Question 4. Added pension: Do you think the policy proposals in relation to scheme members with added pension puts all eligible members in the same position?

26. The LGA believes that the policy proposals in relation to scheme members with added pension puts all eligible members in the same position, however this does not reflect the different intentions they may have had when paying for additional benefits. The LGA believes that the Home Office should consider that the intention of the members in question was to buy extra pension to increase their retirement income. Implementing a full refund of contributions as compensation does not achieve this intention, as this may not achieve the level of pension the member was aiming/planning for, even allowing for the roll back of benefits.

27. Although members may choose to buy added pension with their compensation payment, this does not have the effect of purchasing service in the legacy scheme and buying this added pension at this later time may mean that it is more expensive for members to purchase.

28. Although we note that the Home Office believes that the contracts cannot be retained on grounds of equality with those who have not suffered age discrimination, the LGA would like clarity as to why added pension contracts cannot, for some members, be retained in the 2015 scheme until the time when the member makes their retirement choices. Members who have a choice between 2006 and 2015 scheme benefits for the remedy period may be better off under the 2015 scheme and could use that added pension accordingly. Additionally this is inconsistent with the way in which transfers are being treated for remedy, as these remain in the 2015 scheme until the member makes their deferred choice election.

29. It would be useful for the consultation response to document the reasons why an Additional Pension Benefit (APB) has not been chosen as an option for members to have in place of the added pension. APBs can be calculated on an actuarial basis and can apply to all firefighters' pension schemes.

30. We note that the regulations require the scheme manager to consult with the scheme actuary. We assume that processes and factors will be supplied on a general basis rather than the actuary having to be consulted for each and every individual case. We would welcome confirmation of this.
31. The LGA notes that whilst Regulation 5 covers when an amount is owed to the scheme manager, it does not provide for how they would be expected to pay it. We would therefore welcome this being covered in the consultation response.
32. The LGA is of the view that Regulations 26 and 27 should reference the date 1 October 2023 and not 30 September 2023, to ensure consistency with all other date references within the Regulations.

Question 5. Transfers: Do you think that the policy proposals that transfers that came into the 2015 reformed pension scheme will be held in the 2015 reformed pension scheme until the point of decision achieves the policy intention of preserving transfer rights?

33. The LGA agrees that the policy proposals achieve the policy intention of preserving transfer rights.
34. It is our understanding that retention of transfers in the reformed scheme is the default position under the PSPJOA and hence regulations are needed to move the rights. We understand that it is the intention to do this at the point a benefit election is made and agree that this is a sensible policy given that there are limits on what the legacy scheme can provide. We hope that the final regulations will be clear in this regard.
35. Nevertheless the LGA would like to highlight the administratively complex issues that this will cause. Administrators will need to ensure that the value of the transfer is kept up to date on the member's record until they make their choice.
36. There is also concern from stakeholders as to the amounts which need to be shown on the RSS and how to reflect to the member what their benefits in the legacy scheme will be. If a member is expected to end up having to retain part of the transfer in the 2015 scheme or receive a compensation payment in lieu then it is not clear what the RSS should show.
37. The consultation document states that "if the current rules at the time would not allow all the transfer or loses part of the transfer value due to breaching the pensionable service cap in the legacy scheme and has no 2015 reformed pension scheme service, a member will be paid equivalent value in the legacy scheme benefits as an adjustment of contributions accordingly *based on an actuarial calculation*". The LGA would welcome examples from the actuary detailing how this will be calculated. The draft regulations do not provide enough detail for schemes to proceed at the moment.

38. The LGA would also like clarity as to the reason why an Additional Pension Benefit has not been chosen because an APB can be used in all firefighters' pension schemes.

39. The LGA would also like to highlight that in Regulation 30 under the definition of "remediable club transfer value" it references interchange arrangements, under a), and we would welcome clarity on what this relates to, as this is not terminology used within [Part F of the 1992 Order](#).

We would also like to highlight in the same definition under b) that the reference to Part 11 of paragraph 1 of Schedule 1 of the 2006 Order, is incorrect and should be Part 12.

In addition under the definition of "remediable transfer value" the reference under b) to Part 11 of paragraph 1 of Schedule 1 of the 2006 Order, is also incorrect and should also be Part 12.

40. The LGA would like clarity on Regulation 32 (6), as to how it is expected for FRAs/administrators to be able to pay a compensation amount to the ex-scheme member where they have been unsuccessful in paying the remediable amount of transfer value to the scheme that it was originally transferred to, as they would no longer have contact with them. Guidance on the processes to follow is needed from the Home Office.

41. The LGA believes that under Regulation 42, where it references 141(2)(b) of the 2014 Regulations, that it is incorrect where it then states:

"as if for "P's first day of eligible service" there were substituted "1st October 2023"

This is believed to be incorrect because Regulation 141(2)(b) references Normal Pension Age, and not as suggested above, as follows:

"(b) subject to paragraph (3), must be made before the beginning of the period of one year ending with the date on which the member reaches normal pension age."

42. The LGA believe that the reference in Regulation 45 (6) to the PSP Directions for the definition of "relevant pension year" should be to direction 4(14)(f)(i). This is because whilst the definition is the same, the reference to 5(16)(c)(i) is under the Voluntary Contributions section, and may cause confusion when dealing with transfers.

Question 6. Bereavement: Do the proposed amendments to scheme regulations achieve the policy intention of ensuring that the resulting 'member representative' can make an immediate choice or deferred choice in relation to the remedy period service of a deceased member?

43. The LGA agrees that the policy intention ensures that the resulting 'member representative' can make an immediate choice or deferred choice in relation to the

remedy period service of a deceased member.

44. The LGA believes that the amendments achieve the policy intention but note that since there is some flexibility, consistency will be important.
45. The LGA welcomes that children's pensions will not reduce as a result of decisions made.
46. The LGA would welcome in the Schedule "Eligible decision-makers for deceased members":

In "Interpretation", 2(c) an expanded definition of "surviving adult", as we believe that this definition is too vague, and currently this could include an adult "child" who may be eligible for a child's pension, which we do not believe to be the intention.

In "Sole beneficiary: M's estate", Regulation 5, the LGA would welcome that this is amended to include:

- a) M's personal representative, or
- b) where M has no personal representative, the scheme manager.

This is because the LGA's understanding is that "the estate" is usually everything owned by the deceased, rather than a person or body, who can make a decision.

In "Multiple beneficiaries: one or more adults and one or more children", 11 (2)(c), we would welcome that this is amended to include:

- (iii) where no decision about whether to make an election has been received by to the scheme manager by the day four weeks before an election must in accordance with these regulations, be received by - the scheme manager.

This will then allow for any occasions where the children who are 18 or over and the guardian of the relevant children who are under 18, cannot agree to make a decision.

47. Under Part 1, Regulation 2, the LGA notes that the meaning of eligible child is given as:

- (a) "eligible child" means, in relation to—
- (a) the 1992 scheme, the meaning given in Part 1 of Schedule 2 to the 1992 Order;
- (b) the 2006 scheme, the meaning given in rule 6 of Part 4 of paragraph 1 of Schedule 1 to the 2006 Order;
- (c) the 2015 scheme, the meaning given in regulation 85 of the 2014 Regulations;

In relation to the 1992 Order, the 1992 Schedule refers to Child, not eligible child and therefore the interpretation is incorrect. The term “eligible child” does not exist in the 1992 Schedule.

Question 7. Contingent decisions: Do you think that the proposals with regards to contingent decisions give members opportunities to revisit pension benefit decisions taken during the remedy period?

48. The LGA agrees that the proposals provide members with opportunities to revisit pension benefit decisions in some circumstances however the processes do not exist in the draft legislation and this could lead to inconsistency of processes across the 44 fire authorities. Ultimately this may lead to further legal challenge which is something which needs to be avoided.

Opt outs

49. For opt out cases clarity is needed on the dates under which a scheme manager can refuse a contingent decision application. Under Part 3 Chapter 1 (6)(b) the draft regulations state:

“But the scheme manager must not refuse an application where the decision by virtue of which M’s service became opted-out service was communicated to the scheme manager during the period—

- (a) beginning on the day six months before M would have (but for the opt-out decision) become a member of the reformed scheme, and
- (b) ending at the end of 28th February 2022.”

50. The LGA would like to express concern that the date quoted is 28 February 2022. The LGA believes that this date should be 31 March 2022.

51. Additionally, clarity over the detail of Regulation 5 is needed, which states the following:

“The scheme manager must refuse an application where either of the following conditions are not met—

- (a) the decision by virtue of which M’s service became opted-out service was communicated to the scheme manager on or after 12th March 2012;
- (b) the decision by virtue of which M’s service became opted-out service was made

pursuant to a relevant breach of a non-discrimination rule(a);”

This regulation appears to state that either of the two conditions should be met when a scheme manager decides if they are able to refuse an application. The LGA seeks clarity as to whether this was the intention of the Home Office policy.

52. The LGA expresses concern that there is no detail about how the contributions owed for the opted out service are to be recouped, whether by lump sum upfront, periodical contributions or payment at the member’s retirement election by lump sum. It therefore follows that there are no details as to whether interest is payable by the member to the scheme and under what terms, or whether tax relief applies. It is also unclear currently whether the Government Actuary’s Department calculator will be able to be used for this purpose to assist in calculations once these details have been clarified. We therefore urge the Home Office to clarify the above points in the consultation response.

53. The LGA would additionally like guidance to be issued to provide further detail on the information which should be provided by the firefighter when a firefighter has to prove that they opted out due to pension reform. Paragraph 5.85 of the consultation document provides examples of evidence which a firefighter can use to assist in the contingent decision process as follows; however these appear to be intended for guidance and are not mentioned in the draft legislation:

- “• the member had explicitly made clear (for example, in correspondence) that they did not believe the 2015 reformed pension scheme was worth the contributions they would have had to pay for membership, for example, because of the higher pension ages and implications for pensions taken before NPA

- a complaint letter confirming opt-out will follow if reform is implemented and opt-out request is received within reasonable timescale

- if a member was a litigant in an ‘injury to feelings’ claim”

In order to avoid future litigation the LGA believes that it should be made clear what evidence will be accepted for these claims and guidance provided. This is imperative to avoiding future legal claims.

54. In seeking this guidance we note that there are other pensions aspects which may be part of a contingent decisions claim as well as those that arise from other financial but non pensions related losses. Examples of the pension related losses might relate to the amount of pension exchanged for a lump sum, and decisions regarding the timing of retirement. The LGA notes that people who did not repay periods of unpaid leave may wish to consider this through a contingent decision. This is not currently listed as a possible contingent decision in the proposed regulations, Such cases will require

further thought and guidance otherwise it will lead to inconsistency in decision making by each scheme manager of the 44 fire authorities affected by remedy.

55. The LGA would also like to highlight that in the footnote, linked to Regulation 4(1) it incorrectly references the Police 1987 Scheme, instead of the Firefighters 1992 Scheme.

Question 8. Are there any other areas which you think should be addressed in these regulations in order to ensure that all eligible members receive a choice of pension benefits at their point of retirement, for the period for which the discrimination existed (1 April 2015 - 31 March 2022) on 1 October 2023?

Abatement

56. Whilst the LGA agrees that abatement is already covered in existing legislation, the exclusion of abatement in the draft legislation makes it unclear how these cases, which have arisen due to remedy, should be treated when members receive a choice of pension benefits at the point of retirement.

57. The consultation document states:

“5.73 Where a fire and rescue authority exercised their discretion not to apply abatement, they will need to retrospectively recalculate the amount that they are required to pay into their local pension fund account.

5.74 In all other cases where abatement was applied, the fire and rescue authority will need to retrospectively revisit (back to retirement) the amount of pension that should be abated. Any overpayments of pension will need to be recovered and any underpayments will need to be repaid. Both underpayments and overpayments will have interest applied.

5.75 When presented with their choice, the member will need to consider how their decision will impact each aspect of the abatement calculation. Remediable Service Statements (RSS) will detail how abatement rules would apply under both schemes.”

58. The draft regulations make no mention of the above processes to follow, the requirement for the RSS to reflect this or the requirement to add interest to the calculation. The LGA feels that without clarity of these points in the regulations, inconsistent processes will prevail across the 44 fire authorities.

Question 9. Are there any additional points not covered in this consultation paper that need to be considered as part of the proposed amendments to scheme regulations?

Contributions

59. The PSPJOA provides the statutory power to adjust contributions. We note that some legal authorities believe that the draft regulations do not link adequately to this and we note that the regulations as drafted do not cover the Home Office's intentions in this regard. It would be useful for the regulations to directly link the power to adjust contributions back to the PSPJOA.
60. Additionally the consultation refers to contribution adjustments on roll back. Roll back is understood to mean from 1 October 2023 however in order for a member to decide if they wish to make good the contribution amount, they will have needed to have received their RSS. The LGA believes that the wording needs to be more precise.
61. The LGA notes that there will be flexibility to meet an adjustment of contributions at roll back, any time before the member makes their deferred choice election and that they can be deducted from the lump sum at retirement if not paid already. The LGA understands from the Home Office that if a member wishes to pay the adjustment at a point in-between their deferred choice election and roll back, that this would be done based on the figure due on the yearly RSS. It is the LGA's view that this is not clear from the regulations and that this should be detailed to avoid inconsistency and challenge from members. We look forward to the regulations being amended to reflect this.
62. In contrast, the Welsh Government is consulting on spreading the contributions over a maximum ten year period to try and avoid fresh claims of age discrimination. The LGA assumes that the Home Office has taken legal advice with regard to age discrimination claims and has been advised that the different treatment is objectively justifiable.
63. Contribution holidays are not mentioned in the policy or draft regulations. Given that these came into effect for some 1992 Scheme members in October 2016 depending on age and length of service, it is possible that some members who were in the 2015 scheme may, if they opt for legacy benefits, also be entitled to a contribution holiday for the relevant period. While we note that contribution holidays were always retrospective, it would be helpful to have guidance as to how to implement these for any affected members. For example, can any repayment of contributions be netted off against other contributions required from the member, or should the processes be handled separately? Further, it would be useful to have a specific provision in the Regulations stating that the same application of interest applies to contribution holidays as to other elements of compensation.

Immediate Detriment

The LGA understands that further regulations may need to be issued by either the Home Office or HMRC in relation to immediate detriment. The PSPJOA itself is not sufficient for this purpose and HM Treasury has previously indicated that schemes will need to set out in their scheme regulations which parts of the PSPJOA apply to members who have received an “interim payment”. HM Treasury has indicated that schemes can use the power in Sections 22 and 31 of the PSPJOA to bring immediate detriment cases within the required rectification provision. The tax position will not change unless scheme regulations ensure that full retrospection applies (as per Section 2(1) of the PSPJOA).

64. HM Treasury have indicated that further tax regulations may be introduced, depending on how these cases are addressed in scheme regulations, although these tax regulations will not be able to make any payments retrospective. Whether these consequential tax regulations are required will be determined by HMRC once scheme regulations are finalised.

65. It is not clear in the draft regulations if this intention has been realised. The draft regulations indicate that a new election cannot be made but do not appear to do any more than treat the payments already made as lump sum or pension payments. Regulation 53 (3) states:

“Any amount paid by way of benefits or compensation pursuant to the agreement or (as the case may be) determination by virtue of which the relevant condition has been met is to be treated for the purposes of section 14 of PSPJOA as—

(a) a lump sum benefit, if the amount was paid by way of a lump sum;

(b) a pension benefit, if the amount was paid otherwise than by way of a lump sum.”

66. There is no mention of the process which the scheme manager has to follow either and this could lead to further legal challenges.

67. This is an extremely important issue for our sector and we would welcome clarity on immediate detriment without delay.

Revisiting commutation decisions

68. The LGA notes that there are no details in the consultation which explain whether an immediate choice member, who retired under the legislation in place prior to 1 October 2023, can revisit their commutation decision now that they are in receipt of their RSS. As this will affect a large number of immediate choice members, the LGA asks that the Home Office clarifies this position and caters for this in the final legislation.

Scheme Manager discretions

69. As noted there are a large number of discretions required by the draft regulations and consultation. Successful remedy will depend on the creation of consistent policies and treatment of members in terms of decisions and communications.

70. We have listed below some of the areas where processes are required and ask that where possible these processes are defined in the regulations:

- Abatement
- Dealing with members who have not made elections
- Dealing with timescales for deciding on reasonable timeframes for deferred choice election. Under Regulations 12 and for remediable credit adjustment under 20(5) and for processes such as remediable arrangements for AVCs
- Contingent decisions - considerations under 5.79 of guidance and Regulation 5 (4). Also under Regulation 28 (3)
- Waiving of overpayments - processes for making decisions to waive liabilities. Similarly for waiving amounts owed by the member (Regulation 60)
- Dealing with payments already made under immediate detriment – principles to be followed given lack of guidance in Regulation 53
- Processes for dealing with interest and indirect compensation where directions are not sufficient.

Definition of roll back

71. Section 5.12 in the consultation document states the following:

“Roll back is the term used to describe the process by which in-scope members are placed back into the relevant legacy scheme(s)”.

The term roll back does not appear to be defined in the draft legislation and the LGA feels that this does need defining.

Immediate Choice Decision

72. Under Regulations 7 and 8, the LGA believe that if the scheme manager is the decision maker then they should have the same information as that which would be provided within the RSS, to allow them to make the choice. This is not however covered within Regulation 7, and Regulation 8 implies that they would not be provided with this.

GAD Guidance

73. There are many references within the draft regulations which state that the scheme

manager must consult with the Scheme Actuary. The LGA would welcome clarity on whether this is what is trying to be achieved, or whether it is that GAD guidance will need to be referred to. If it is the latter, we would suggest that these references are changed to the same as within existing Firefighters' Pension Scheme Regulations as follows:

“in accordance with actuarial guidance”

“Actuarial guidance” means actuarial guidance issued by the Secretary of State after consultation with the scheme actuary;

Question 10. Do any of the proposed amendments unlawfully discriminate against a particular protected characteristic, fail to advance equality of opportunity between those who share a protected characteristic and those who do not, or fail to foster good relations between people who share a protected characteristic and those who do not?

74. We note that no EIA has been supplied alongside the consultation to consider equalities.

75. We believe that some of the amendments require objective justification in order to ensure that differences between members are not classed as discrimination and we look forward to viewing the EIA as soon as possible.

WYFRA – Retained FF Consultation Response

We request that you do not provide any personally identifiable information (for example, names, dates, and locations) in your answers to the following questions.

Q1. Are the categories of individuals that have been identified as being eligible to join the modified scheme as part of the 2023 Options exercise appropriate?

Yes	No
x	

Please explain your answer.

We understand the selection of the earliest in-scope date of 07/04/2000 is due to this being the original deadline for implementation of the relevant EU part-time workers directive. However, we are concerned that we have received several queries from staff who transferred from retained to wholtime employment prior to 07/04/2000, with continuous service after this date, who would like to have the opportunity to purchase their retained pensionable service. Excluding these people may lead to further claims of discrimination and a further options exercise if these claims are successful, we would therefore appreciate a speedy resolution to the aggregation claims so that they can be dealt with as part of the 2023 exercise.

Q2. Do the categories of individuals that have been identified as being eligible to join the modified scheme as part of the 2023 Options exercise include everyone who ought to be included?

Yes	No
x	

Please explain your answer.

As per Question 1.

Q3. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 1 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

Yes	No

x	
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Please explain your answer.

Members may have paid lower NI contributions had they been contracted-out of S2P under their pension scheme; however, we welcome the proposal to leave the contracted-out status of the scheme unchanged as this would have introduced additional complexity for members and FRAs.

Q4. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 2 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

Yes	No
x	

Please explain your answer

Members may have paid lower NI contributions had they been contracted-out of S2P under their pension scheme; however, we welcome the proposal to leave the contracted-out status of the scheme unchanged as this would have introduced additional complexity for members and FRAs.

Q5. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 3 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

Yes	No
x	

Please explain your answer.

As per questions 4 and 5. However, the requirement to inform persons to whom paragraph 3 of rule 5B applies (out of scope) may result in them challenging their exclusion from the 2023 exercise and submitting challenges/IDRPs. This will cause additional work at a time when FRAs are extremely busy dealing with this exercise and the Sargeant Remedy. We believe it is unnecessary to inform these people of their ineligibility where the FRA is comfortable that they complied with the requirements of the 2014 exercise, and that it is up to them to approach the FRA and challenge this if they believe they should be eligible.

Q6. Are there any changes to the proposals required for those individuals who are entitled to both the Matthews remedy and McCloud/Sargeant remedy simultaneously?

Yes	No
	x

Please explain your answer.

The proposal to allow members to buy service up to and including 31 March 2022 will minimise the risk of further claims of inequality, given that existing special members will be entitled to service up to this date.

Q7. Do the proposed changes to the special death grant and additional death grant sufficiently address the scenario where the deceased member had pre-2000 service?

Yes	No
x	

Please explain your answer.

It is right that the deceased's next of kin should receive a benefit based on the length of retained service pre-2000. It is more likely than not that the deceased would have joined the scheme, given the opportunity, so providing their surviving spouse with a benefit will compensate for this. However, tracing the beneficiary of a deceased ex-employee will be more difficult than tracing an ex-employee, especially if the ex-employee did not take part in the 2014 exercise. We therefore think the deadline for applying for the special death grant and additional death grant should be the same as the deadline for completion of the 2023 exercise rather than the earlier date of 30/09/2024.

Q8. Are there any additional points not covered in this consultation paper that need to be considered as part of the proposed changes to the Firefighters' Pension Scheme (England) Order 2006?

Yes	No
x	

Please explain your answer.

Periodic Contributions:
 There is no consultation question regarding the proposal for the length of time to repay contributions periodically. It will be administratively complex to collect two sets of contributions over separate time periods, but we recognise that equality is needed between those who participated in the 2014 exercise and those only now taking up the

option to pay post-June 2000 contributions. However, we believe members with pre-July 2000 service should also be given the option to repay this service over 10 years as they may want to minimise the interest costs and provide for their repayments to end at the same time. This will be the case if they only have a small amount of pre-2000 service to purchase.

Timetabling:

We believe that the deadlines for the various stages should be as follows:

1. Notification to eligible persons by FRA: 3 months of initial date.
2. Application of expression of interest by member: 3 months of receiving notification from FRA.
3. Issue of statement of service by FRA: 6 months of receiving application.
4. Election to join as special member: 3 months of receiving statement of service.

We do not believe an eligible person requires 6 months to decide whether to submit an expression of interest or whether to elect to join the scheme. By shortening these deadlines, it will encourage faster responses and enable the options exercise to progress more quickly. We believe FRAs will require more time to process responses due to the pressures on resource at a time when the Sargeant remedy is also being implemented.

Q9. The scheme will also provide an additional top up to the special death grant in respect of an individual's pre-7 April 2000 service. The Special death grant will provide eligible survivors with a single lump sum payment equal to 0.1 times the deceased member's pensionable pay for each full qualifying year of service that the deceased member had prior to 7 April 2000. Do you agree with this policy?

Yes	No
x	

Please explain your answer.

Assuming that the methodology outlined in the footnotes on page 21 of the consultation document is sound, the proposed approach is reasonable.

Q10. Members who joined the modified scheme as part of the 2014 Options exercise and who have pre-July 2000 service but have subsequently died will receive an additional death grant in relation to such members' pre-July 2000 service. The additional death grant will provide eligible survivors with a single lump sum payment equal to 0.1 times the deceased member's pensionable pay for each full qualifying year of service that the deceased member had prior to 1 July 2000. Do you agree with this policy?

Yes	No
x	

Please explain your answer.

Assuming that the methodology outlined in the footnotes on page 21 of the consultation document is sound, the proposed approach is reasonable.

Q11. It is proposed that where there is an absence of pay data for pre-July 2000 membership, FRAs can assume that the retained firefighter earns 25% of the pay of a WT firefighter, and that they will be employed at the rank of a firefighter. Do you agree with this policy?

Yes	No
x	

Please explain your answer

We welcome the proposal of a consistent methodology for FRAs to adopt in the absence of data as this will prevent inequalities. However, the Home Office should provide for a similar approach for post-June 2000 service, given it is almost 10 years since the 2014 exercise was implemented. In our own case, the source of pay data used in the 2014 exercise is no longer available and many documents used in this exercise have not been retained where they were deemed no longer necessary.

Thank you for participating in this consultation.

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Sent by email to: Retainedfirefighterspensionsremedy@homeoffice.gov.uk

9 June 2023

**Consultation on changes to the Firefighters' Pension Scheme (England) 2006:
Local Government Association response**

The LGA submits its response to the Home Office consultation seeking views on the draft Firefighters' Pension Scheme 2006 (England) (Amendment) Order 2023. Thank you for the opportunity to provide this response.

I respond on behalf of the Local Government Association (LGA). The LGA is a politically led, cross-party membership organisation which represents more than 330 councils of all types and 44 fire authorities across England. We work on behalf of our members to support, promote and improve local government.

The response has been drafted by the Pensions Team at the LGA. The team provide employer and administrator support to various public service pension schemes, including the Local Government Pension Scheme (LGPS) and the Firefighters' Pension Scheme (FPS).

We are pleased to provide our responses to the consultation questions below.

Yours faithfully,



Joanne Donnelly
Head of Pensions

Consultation questions

Question 1. Are the categories of individuals that have been identified as being eligible to join the modified scheme as part of the 2023 Options exercise appropriate?

1. The LGA are in agreement that the correct categories of individuals have been identified as being eligible. The difficulty will be, for some fire authorities, identifying the specific individuals who are eligible because records may not exist any more for those people concerned. Additionally fire authorities may need to check addresses for those who are eligible so that they can ensure that the relevant correspondence will reach the correct recipient.

Question 2. Do the categories of individuals that have been identified as being eligible to join the modified scheme as part of the 2023 Options exercise include everyone who ought to be included?

2. The LGA believes that this is the same question as question 1, and are therefore in agreement that it does.
3. We are pleased that the exercise recognises those who were not given a reasonable opportunity to join, but should have been, in the first options exercise.
4. We would like clarity on 5.2, bullet point 4 in the consultation document, as to the expectation for providing individuals with their options. This part of the consultation document suggests that FRAs would only write to those who initially expressed an interest. The LGA has concerns that if only those who have expressed an interest are written to, this would lead to FRAs having a group of individuals in the future who are in the same position as those in Cohort 3 who are only in this exercise, due to them not being given their options in the first options exercise, as they did not express an interest.
5. We would also like clarity on 5.2, bullet point 3, as this suggests that those who were not notified by their FRA would have nine months from the date that the legislation comes into force to express their interest. Whilst the timescale itself is not so much of an issue, the concern is that if they did not know about the exercise, because they were not notified by the FRA, then how could they express an interest? The LGA would therefore like confirmation that this is not contradictory to 5.3 within the consultation document, which suggests that there will be provision for flexibility for those who were not identified by their FRA within the 18 month implementation window.

Question 3. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 1 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

6. The proposed amendments enable individuals in Cohort 1 to purchase their uninterrupted retained service in the modified scheme. However consideration should be given to the following points:
- The members will only be in that position if they are able to be traced successfully.
 - The member will be paying contributions at a different point in time and are now subject to different pension and income taxes. Retrospective contracting-out is also no longer possible.
 - More data might have been available at the time of the first options exercise.
 - The member may have taken actions in the meantime which are now potentially difficult to reverse. Examples would include paying for added years so that the member would now breach the service cap, and also trivial commutation where the benefits now exceed the relevant limits.

Question 4. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 2 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

7. The proposed amendments enable individuals in Cohort 2 to purchase their uninterrupted retained service in the modified scheme, however the comments in our response to question 3 above are also relevant here.
8. Based on our understanding as highlighted in our response to question 6 below, we believe that the date included within Cohort 2 should be amended to 31 March 2015.

Question 5. Do the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 achieve the policy intention of ensuring all individuals in Cohort 3 can purchase any of their uninterrupted retained service in the modified scheme and place these members in the position they would have been had they been entitled to purchase their service at the time?

9. The proposed amendments enable individuals in Cohort 3 to purchase their uninterrupted retained service in the modified scheme however the comments in question 3 are also relevant here.
10. Based on our understanding as highlighted in our question 6 response, we believe

that the date included within Cohort 3 should be amended to 31 March 2015.

Question 6. Are there any changes to the proposals required for those individuals who are entitled to both the Matthews remedy and McCloud/Sargeant remedy simultaneously?

11. Whilst there is provision within the proposals to cover those who are affected by both the Matthews and McCloud/Sargeant remedy, it is our understanding that you would not be able to purchase service beyond 31 March 2015, due to restrictions within the Public Service Pensions Act 2013. Therefore, the proposals as they are set out, would require amendment to allow for service post 31 March 2015 to be remedied under the McCloud/Sargeant remedy.
12. Based on the above, under Schedule 2, Amendment of Part 1, under the definition of “extended limited period” d) would require amendment to 31 March 2015.

Question 7. Do the proposed changes to the special death grant and additional death grant sufficiently address the scenario where the deceased member had pre-2000 service?

13. Yes the proposed amendments appear to address the scenario where the deceased member had pre-2000 service due to research done by the Government Actuary’s Department (GAD), according to footnote one of point 5.36 of the consultation document:

“In setting the level of these payments, Home Office has had regard to the range and net capital value of benefits that survivors could have received had the deceased individuals had access to modified scheme benefits. That is the broad range and capital value of survivor pensions net of member contributions eligible survivors would have received had the deceased individuals been members of the modified scheme and had pensionable service in that scheme to the extent allowed under the 2023 Options exercise.”

And footnote 2 of point 5.40 of the consultation document:

“In setting the level of these payments, Home Office has had regard to the range and net capital value of benefits that survivors could have received had the deceased individuals had access to modified scheme benefits under the terms of the 2023 Options exercise rather than the 2014 Options exercise. That is the broad range and capital value of survivor pensions net of member contributions eligible survivors would have received had the deceased individuals been members of the modified scheme and had pensionable service in the scheme to the extent allowed under the 2023 Options exercise in addition to those received due to their election under the 2014 Options exercise”.

However, the LGA feels that the Fire Sector should be able to see how the data has been formulated to understand how these figures have been derived.

14. We would also like to highlight an amendment of Part 5:

14.1. Under “*Death grant for extended limited period*” 1B(2) and (3), a date of 30 September 2024 is given as a deadline date for a beneficiary to apply for the death grant payment. This does not allow for cases where the FRA has been unsuccessful in contacting the individual in that timeframe.

14.2. Under “*Additional death grant*” 1C(a) we believe that this date would be 7 April 2000 and not 1 July 2000.

14.3. Furthermore under 1C(c) it references that if someone has died before 31 March 2025 that under (2) and (3) they would be able to make an application up until 30 September 2024. This is an earlier date than the qualifying date and therefore we believe this needs to be amended to a date post 31 March 2025 and provision made for those beneficiaries who an FRA has been unable to trace.

15. We would also like clarity as to why the wording under 1C(5) is different to that under 1B(5), which also differs from the existing rule 1A(5) of Part 5. We would suggest that 1B(5) is amended to the existing wording for consistency with the other two:

“1C(5) The authority may request from the person making the application under paragraph (2) or (3) such information required to enable the authority to determine the deceased’s pensionable pay, or, where no information is provided, the authority may determine the amount of pensionable pay from their records.”

“1B(5) The authority may determine the amount of the deceased’s pensionable pay based on –

a) Information provided by the person making the application in response to a request by the authority, or

b) If no information is provided, the authority’s records.”

“1A(5) The authority shall request from the person making the application under paragraph (2) or (3) such information required to enable the authority to determine the deceased’s pensionable pay, or, where no information is provided, the authority shall determine the amount of pensionable pay from their records.”

Question 8. Are there any additional points not covered in this consultation paper that need to be considered as part of the proposed changes to the Firefighters’ Pension Scheme (England) Order 2006?

Definition of Reasonable Endeavours

16. The LGA believes that it is necessary to define the meaning of “reasonable endeavours” stated in 5.2 of the consultation document in the context of the Matthews second options exercise. This provides those involved in the exercise with clear instruction as to what measures they need to take to identify individuals, whether

reminder letters are necessary and whether fire authorities will be expected to undertake tracing exercises where addresses are not known.

Timeline for responses

17. The LGA notes that the draft provisions give a timetable of when the exercise must be undertaken. We believe that this timetable does not give sufficient time for fire authorities to calculate the potential benefits which a firefighter may be able to purchase.

18. Note 5.2 of the consultation document states:

- *Eligible persons would indicate their interest in joining the scheme by applying to the relevant FRA for a statement of service accompanied by certain information. This information would confirm their details of service during the extended limited period (as further explained at 5.16 below), and other relevant details such as any service purchased as part of the 2014 Options exercise (if applicable). This would take place within six months of receiving notification from the FRA.*

19. We believe that as this stage only requires the firefighter to indicate an interest in the options exercise, then this period should be reduced to three months – we consider that six months is too long for this initial stage.

20. Note 5.2 of the consultation document also states:

- *FRA's would write to each eligible person who indicated an initial interest in joining the modified scheme within three months of the date of receiving their application. FRA's would set out the amount of special service that eligible individuals have entitlement to purchase during the extended limited period and the associated costs of purchasing those past service rights.*

The timeframe of three months for providing each firefighter with the costs and details of special service will be unachievable, and the LGA believes that this should be extended to six months. Given that fire authorities will be calculating benefits which we know through GAD's data collection go back to the 1960s, and given that McCloud means that fire authorities are simultaneously having to enact the age discrimination remedy at exactly the same time, then the change to six months is absolutely necessary for the Matthews second options exercise to be completed. This would also give fire authorities time to deal with complex cases such as ill health retirements which, according to the regulations, will need to be calculated by the scheme actuary. We note that if there is delay in processing of cases by the scheme actuary then the timescales could easily be breached and we believe that the regulations should allow for this.

21. Additionally we are aware that firefighters will have the option to buy parts of their

service and if firefighters request different scenarios then this will ultimately affect the time that the fire authorities need to complete the Matthews second options exercise.

22. Note 5.2 of the consultation document also states:

- *The eligible person would confirm to the appropriate FRA, within six months of receiving this information, that they wish to take up membership of the scheme and pay the required historic contributions. They would also be required to elect the date that they wish their service in the modified scheme to begin (the start date of the 'mandatory special period').*

As stated above, the LGA believes that giving the firefighter six months to decide is too long and that the period should be reduced to three months. Feedback from administrators has also raised the point that giving a person six months to respond increases the risk of non-replies. Giving a shorter timescale would therefore be more appropriate.

Contracted out date of the pension scheme

23. The LGA understands that the contracted-out date of the pension scheme cannot be changed for the Matthews second options exercise. We also understand that where individuals can prove that they will be detrimentally affected as a consequence of this, that they can request that this is rectified. The LGA would like clarification on the process that should be followed for these cases.

Annual Allowance Charges

24. Under 6.7 – 6.8 of the consultation, consideration is given to the impact on the annual allowance of purchasing additional service. The consultation suggests that the increase in pension will be taxed in accordance with when the contributions for it are made, rather than the tax rules at the time the pension would have been earned if the member had not received unfavourable treatment as a result of being part time. It is not clear how accrual will be allocated to the individual tax years if periodic pension payments are made.

25. We note that individuals suffering financial detriment as a result of the annual allowance tax charges will be considered on a case-by-case basis, but it is not clear what the process for this would be and – importantly – who the cases should be considered by. As these cases will arise, especially for members with pension benefits elsewhere or in their whole time role, the process for applying for compensation needs to be clarified.

Option to change 2014 retained exercise decision

26. The LGA understands from discussions with the Home Office that there is the intention to allow members to change the decision that they made during the first options exercise. As this is not covered in the regulations, we believe that these should

be amended appropriately to reflect this policy intention.

Administration challenges

27. The LGA notes that administering the options exercise is complex, may entail the creation of new processes between the FRAs and their administrators, and that resource is already expected to be stretched administering the McCloud remedy. It is for this reason that the LGA is keen to promote sharing of solutions and information. Our suggestions in this regard would include ensuring that any data inputs which are not required for calculation purposes are minimised, that any guidance given by GAD over model use or creation of precedents is shared with model users as soon as possible, and that model outputs are created to enable bulk inputs to the systems and administration interfaces being created.

Financing arrangements

28. The consultation document indicates at 5.69 that the deficit created by the Matthews remedy will be addressed through the actuarial valuation process and spread over a period of 15 years from the implementation date. We further note that employer pensions cost pressures will be considered as part of wider funding agreements. We are disappointed at the lack of certainty offered at this stage; and look forward to receiving more information in this regard to give fire authorities more clarity in this key area.

Previous cases of trivial commutation

29. The LGA has been made aware that there are cases from the first options exercise where a member has bought their retained service and been able to commute the benefits to a trivial commutation payment. We are also aware that the same individuals are in scope for the second options exercise. Currently it is unclear what the options will be for people in this situation.

30. The LGA would like the Home Office to clarify what the member's options are in this scenario.

Added years cases where the member will exceed the service cap

31. The LGA has been made aware that there are cases from the first options exercise where members have chosen to take out added years contracts to boost their special 2006 scheme pension. We are also aware that these people are eligible for the second options exercise and may now breach the service cap due to the added years purchased.

32. The LGA would like the Home Office to clarify what the member's options are in this scenario.

Aggregation

33. The LGA notes that claims have been received with regards to individuals who have periods of service as a retained firefighter and a regular firefighter seeking an ability to aggregate these periods of service under the individual's membership of the 1992

Firefighters' Pension Scheme. We also note that the Home Office is currently considering its response to these claims. We look forward to the resolution of the aggregation claims as soon as possible.

Recommended Regulation amendments and queries

34. Under Amendment of Part 10, 5(3) of rule 1, in (i) we believe this should be updated to 7 April 2000 and not remain as 1 July 2000:

“Any period of service as a retained firefighter before 1st July 2000 which, if it had been a period of service during the limited period in relation to which mandatory special period pension contributions had been paid, would have been qualifying service in accordance with paragraph (h) and”

35. Under the the definition of “extended limited period” we believe that it should read as follows, to be consistent with the definition of “limited period”:

““extended limited period” means, the period beginning on the date on which the person was first employed as a retained firefighter and ending on the earliest of—”

36. In the footnote a) we believe that this should also refer to the following Statutory Instruments: (SI's) 2015/319, 2018/269, 2018/997 and 2020/354.

37. We would like to highlight that under 5(c) “Purchase of service during the extended limited period – supplemental provision”:

- We believe under (5) that it should read “Where an authority “is” not able to determine” rather than “are”.
- Is it correct that the same is being inserted at (7) and (7A)? (after “*this scheme*” insert “*or purchase additional service during the extended limited period*”)
- In 7(c), we believe that it should read (amended where highlighted):

“(4A) Where a person is required under paragraph (2), or has chosen under paragraph (4), (8) or (9), of rule 6A, to pay a lump sum contribution, this sum must be paid in full (subject to any deduction from the lump sum pursuant to paragraph (2), (6) or (10) of rule 6A) before the pension to which the lump sum contribution relates comes into payment.”;

- In (5)(d) and (h), whilst we agree that those who are purchasing post 1 July 2000 should repay their past service costs on the same terms as the first exercise, and the period should be longer for those who were employed between 7 April and 30 June 2000, we believe that where only minimal amounts are owed by a firefighter to purchase their service, that there should be some form of provision for a Scheme Manager to determine a shorter timescale. This would only apply where the amount is small. The reason for suggesting this is because there would be an administrative burden to spread a small amount over 20 years.

38. Under 6D “Compensation deduction”:

- In (1) we believe that it is missing a word, and should read as follows (amended where highlighted):

*“The authority must deduct from a special member’s **mandatory** special period contributions an amount calculated in accordance with this rule (the “compensation deduction”) where a special member—”*

- In (1)(b) we believe that it should read as follows (amended where highlighted):

“Provides the statement referred to at paragraph (5).”

- (4)(a) and (b) states the following:

“(4) The rate of tax relief which must be applied in the compensation scenario is—

- (a) *where a member establishes, with such supporting evidence as the authority may reasonably require, that the rate of tax relief which would have applied to him in the compensation scenario is greater than 20%, that rate must be applied for the purposes of calculating the compensation deduction, or*
- (b) *in any other case, 20%.”*

We believe that a fire authority may also be in receipt of information when looking at a firefighters’ tax rate which indicates that they may be a higher rate taxpayer. We therefore suggest that (a) is amended to *“where a member or fire authority establishes,”*

39. In Part 11, Rule 6A(11), we feel that the date may need to be amended to 7 April 2000.

40. In Amendment to Part 12 7(2) we believe this should read:

“(2) In rule 11A (Transfer of accrued rights under the 1992 Scheme to special membership of this Scheme) – “

41. In Part 13, we would like clarity as to whether an ill health charge would be payable to the Firefighters’ Pension Fund for each ill health retirement under the second options exercise.

42. In Amendments to Part 14, in rule 4(2), we would like clarity as to how this would work in practice and whether this would include concurrent employments:

“Where a person is, or is eligible to be, a special member of this Scheme in respect of more than one contract of employment (whether with the same or different authorities) the person may elect to treat those employments as one employment”

43. The words “of Part 11”, are already in the regulations under Part 14, where the amendment is inserting *“(purchase of service during the limited period) or rule 5B(9)*

(purchase of service during the extended limited period) of Part 11” and therefore do not need adding.

44. The draft amendment regulations refer to cases needing to be referred to the scheme actuary. The LGA feels that clarity is needed in the regulations as to whether these references simply mean that fire authorities should refer to GAD guidance, or whether specific scenarios do need individually referring to the scheme actuary. This clarification may assist fire authorities when planning how long a case may take to complete.

Question 9. The scheme will also provide an additional top up to the special death grant in respect of an individual’s pre-7 April 2000 service. The Special death grant will provide eligible survivors with a single lump sum payment equal to 0.1 times the deceased member’s pensionable pay for each full qualifying year of service that the deceased member had prior to 7 April 2000. Do you agree with this policy?

45. Yes, we do, however we believe that the Fire Sector should be able to view the data which determined this calculation method.

Question 10. Members who joined the modified scheme as part of the 2014 Options exercise and who have pre-July 2000 service but have subsequently died will receive an additional death grant in relation to such members’ pre-July 2000 service. The additional death grant will provide eligible survivors with a single lump sum payment equal to 0.1 times the deceased member’s pensionable pay for each full qualifying year of service that the deceased member had prior to 1 July 2000. Do you agree with this policy?

46. Yes, we do, however we believe that the Fire Sector should be able to view the data which determined this calculation method.

Question 11. It is proposed that where there is an absence of pay data for pre-July 2000 membership, FRAs can assume that the retained firefighter earns 25% of the pay of a WT firefighter, and that they will be employed at the rank of a firefighter. Do you agree with this policy?

47. In principle yes we do because this data has been derived from data provided by fire authorities, however the LGA would like to highlight that it may not be possible to work this out for all firefighters. This is because firefighter pay scales may not exist for all relevant years. Additionally the payscales for 1977 split the firefighter grades into years of service and rank of firefighter.

48. The LGA would like confirmation as to which elements of these pay scales should be used. The 1977 pay scales, for example, splits the firefighter role into Firefighter, Long service Firefighter, Leading Firefighter, Firefighter (age 18 years). This is to ensure consistency across the sector.



Actions and agreements

8 September 2022

Location: Hybrid: 18 Smith Square/MS Teams

PRESENT

Joanne Livingstone	SAB Chair
Philip Hayes	Scheme Member Representative (FRSA)
Pete Smith	Scheme Member Representative (FBU)
Mark Rowe	Scheme Member Representative (FBU)
Tony Curry	Scheme Member Representative (FBU)
Glyn Morgan	Scheme Member Representative (FOA)
Cllr Roger Hirst	Scheme Employer Representative (LGA)
Cllr Roger Price	Scheme Employer Representative (LGA)
Helen Scargill	Technical Adviser
Craig Moran	First Actuarial
James Allen	First Actuarial
Jane Marshall	Legal Adviser
Claire Hey	LGA – Board secretariat
Claire Johnson	LGA-Firefighter Pension Advisor
Elena Johnson	LGA – Firefighter Pension Advisor (Minutes)
Frances Clark	Home Office
Anthony Mooney	Home Office

1. Introductions, apologies, and conflict of interest

1.1 Cllr Nikki Hennessy, Cllr Nick Chard, Cllr Roger Phillips, Des Prichard, Andrew Scattergood, Alan Wilkinson, and Karen Gilchrist sent their apologies. It was also noted that Cllr Ian Stephens is no longer a member of the SAB having stepped down as Chair of the FSMC. A nomination has been sought from the Independent group from the LGA.

1.2 Joanne Livingstone (JL) confirmed that due to absences, the meeting was not quorate so decisions could not be made today however actions would still be identified to ensure that progress could still be made.

1.3 JL reminded members of the Board to declare if any new conflict has arisen. It was confirmed that there is no requirement for forms to be completed. No conflicts were declared.

2. Actions arising (23 June 2022) and Chair's update

2.1 Roger Hirst (RH) asked for the minutes of 23 June 2022 to confirm his apologies. Claire Hey (CH) confirmed that the minutes will be amended to also reflect that Janet Perry is not a councillor. JL confirmed that the minutes from the meeting held on 23 June 2022 will be considered finalised once these amendments are made.

2.2 JL went through actions arising. Action 5.23 from 23 June 2022 has been completed after being referred to and completed by the Cost-effectiveness committee on 5 July 2022.

2.3 JL confirmed that action 6.6 from 23 June 2022, whereby the LGA is to discuss the approach to contingent decisions with FSMC to ensure consistency of application, is still to progress.

2.4 JL confirmed that the LGA has received some amendments from SAB members in respect of action 8 of 23 June 2022 (member details on www.fpsboard.org).

2.5 JL confirmed that Andrew Scattergood has been nominated and appointed vice-chair of the SAB and Janet Perry has been appointed Cost-effectiveness committee employer representative. Cllr Nikki Hennessy has been appointed employer representative on the Scheme Management and Administration committee. JL confirmed that six training needs analysis forms had been received and asked members to complete and return these as soon as possible. It was noted that LGA were able to help with completion.

2.6 JL provided the Board with a Chair's update and confirmed the following:

- 2.6.1 JL would like feedback from the SAB regarding the PDD engagement sessions, but this will be picked up later on in the agenda.
- 2.6.2 JL highlighted that there is still a vacancy for the Local Pension Board effectiveness committee Chair and asked employee representatives to contact her with nominations.
- 2.6.3 JL also explained that two employer representatives are needed for the Matthews Working Group and asked people to put themselves forward.
- 2.6.4 JL explained that she had tried to arrange a joint forum with The Pensions Regulator (TPR) with a view to sharing best practice with the other SABs but there does not appear to be much appetite from the Regulator for this.
- 2.6.5 JL also informed the board that she had not received a reply from HM Treasury (HMT) regarding her response to their letter as yet.

- 2.6.6 JL explained that she had met with NFCC regarding the role of observers in the SAB meetings and will encourage membership of the NFCC to be represented on the SAB committees.
- 2.6.7 JL informed the group that she would be doing an opening address at the AGM and invited suggestions for the content of this.

3. Home Office update

- 3.1 Frances Clark (FC) provided an update on developments following the appointment of the new Prime Minister. There is a new Home Secretary, Suella Braverman who, it is believed, will initially be focussing on illegal migration, cutting crime, and ensuring strong emergency services. The Home Office (HO) are busy getting to know new ministers and how this impacts their work. In respect of FPS, HO do not anticipate changes in the way that they work. The new Fire Minister was not known at the time of the meeting.
- 3.2 FC spoke regarding the McCloud remedy project and explained that PDD sessions for the SAB are continuing and there are regular informal drop-in sessions to answer any questions which arise. This is prior to formal consultation taking place early next year. FC explained that the LGA attend these sessions from a scheme manager perspective.
- 3.3 In respect of Matthews remedy work, FC confirmed that a SAB engagement session had been arranged and HO will inform the group on policy progression through this.
- 3.4 JL asked HO for an update on engagement with HMT and HMRC. FC confirmed that they are starting to receive information about tax policy, and they are continuing to explore alternative routes to make the payment of immediate detriment cases possible. FC said that HO is being supported by the LGA.

3.5 Craig Moran (CM) asked if it was any clearer when the SCAPE rate decision would be made known. FC confirmed that the answer is no.

3.6 Mark Rowe (MR) asked an update on timescales in relation to immediate detriment as more claims are being submitted to the FBU. FC explained that meetings will be taking place regarding this in the next couple of weeks but there are many decisions to be made so it is not possible to provide an exact date.

4. PDD Engagement Sessions: Paper 1

4.1 CH went through the paper on the PDD engagement sessions which explains the purpose of the sessions and the topics covered to date. CH also pointed out the timetable of sessions so that SAB members are aware when these are being held. Additionally, CH explained that the LGA is creating an area on the website to hold the information about the SAB engagement sessions.

4.2 CH explained to the Board that the attendees were comfortable with the proposals regarding eligibility. There was a quirk with FPS in that where members have more than one post, it is the date the member was initially employed that is the eligible date and not the start date of the post itself. Also, the member did not have to be in the scheme to be eligible.

4.3 CH explained that the LGA had created an [remedy eligibility factsheet](#) for FRAs to help with their understanding on this topic.

4.4 JL pointed out the importance of attending these sessions and feeding back because they influence the drafting of secondary legislation. JL asked for any feedback that the SAB had to give.

4.5 CH explained that in respect of interest, HO had commissioned GAD to produce examples to make scenarios easier to understand for the group.

- 4.6 CH explained that paragraph 22 of the paper is incorrect and should state that Treasury directions which will set the rate of interest are awaited.
- 4.7 JL asked if GAD instructions will be available at the same time as the directions and pointed out that there could be different rates for different scenarios. Anthony Mooney (AM) commented that it is assumed that HO will be given a rate of interest. FC said that they are waiting for these details.
- 4.8 MR asked if it was known how many people opted out and could opt back in with regards to contingent decisions. MR asked if the default position should be for everyone to be allowed to opt back in to avoid challenge. Helen Scargill (HS) pointed out that everyone can opt back in, but it is not clear if everyone can re-instate their remedy position. For example, should someone who opted out in 2010 be allowed to opt back in and re-instate their remedy service. HS said that there needs to be a boundary.
- 4.9 JL advised the board that the contingent decision SAB engagement session is on 9 November 2022, and this gives an opportunity for views to be put forward.
- 4.10 Glyn Morgan (GM) agreed that the best way to approach this is for all opt outs to be able to re-enrol. MR agreed and pointed out that there will be a large amount of disputes which will arise if this is not allowed. Opening this to all affected members would reduce the amount of work required to look at these cases by FRAs.
- 4.11 Claire Johnson (CJ) informed the Board that the LGA had shared data from two FRAs with HO which showed the number of opt outs since 2012, which is when conversations about reform first became prevalent. CJ said that this may be useful for HO when they look at their policy on contingent decisions.

- 4.12 AM informed the Board that the best route for conveying views is through the SAB engagement sessions.
- 4.13 MR asked what the SAB's view was. JL stated that the SAB's role was to ensure that all options had been considered. The SAB does not have one view, it should consider what is workable and not workable, consider all the options and ensure that all feedback is given so that it feeds into policy decisions. The views should be justified and within the framework of the Act.
- 4.14 AM indicated that there needed to be boundaries with opt outs, for example if someone transitioned into the 2015 scheme and opted out in 2017, was there still justification for their remedy period service to count. AM reiterated that all views would be welcomed at the SAB engagement session.
- 4.15 CH confirmed that the LGA is looking at what central guidance/support would be needed for scheme managers to ensure some measure of consistency. JL confirmed that she felt that once details are known then the SAB should have a role in this.
- 4.16 CH went on to discuss the Annual Benefit Statement-Remediable Service Statement (ABS-RSS)/ Deferred choice-Immediate choice (DC-IC) sessions and explained that there were two conflicting dates when considering the issuing of the ABS and the RSS. The LGA has asked administrators and software providers to consider issuing a combined ABS-RSS by 31 August 2024 which would provide a better member experience than getting two separate statements, as long as the statements are correct. This would also tie in with dashboard staging dates. CH asked for the Board's views.
- 4.17 CH explained that Cllr Phillips had already given a view that this would be aspirational but depended on whether the software suppliers were able to deliver on this.

- 4.18 Roger Hirst (RH) said that in his opinion it would be desirable to send one statement.
- 4.19 HS pointed out that the statement would need to show the cost of repayments, have considerations for tax and interest, and that the system was currently not able to hold this due to the rates not being known. Issuing a combined statement would depend on software development including a large amount of testing due to the different cohorts of members. HS felt that timeframes were short, agreeing that it would be beneficial but may not be achievable.
- 4.20 RH asked HS what is needed to ensure that this can be done. HS confirmed that the bulk benefit calculations need to be able to pull the relevant information from the pension administration system for the ABS-RSS.
- 4.21 JL felt it was important to give consideration to consistent information on the ABS-RSS. HS pointed out that software suppliers will need to know the fields which are needed for the ABS-RSS, and information around contributions owed would need to come from FRAs first so that it can be uploaded to the pension system.
- 4.22 RH felt that a contingency plan or critical path is needed if the ABS-RSS deadline is missed. HS suggested that the backstop is for the ABS to go out as normal and the RSS to go out by 31 March 2025.
- 4.23 RH asked if the LGA and technical adviser were confident that GAD and software suppliers understand the deadlines. HS confirmed that she thought they understood the deadlines. JL pointed out that they need to know the tax details which is not in their hands.
- 4.24 RH asked who the SAB could seek assurance from that these deadlines can be met. HS confirmed that this would be HMT and

GAD. FC confirmed that HO liaise with HMT on these matters and that project management groups have been set up to connect all those involved.

4.25 JL suggested that a group will be needed for ABS-RSS and that those best suited to this would be both the communications and technical group. JL asked the Board if they would be happy with this approach. The Board agreed. CH informed the Board that a cross-Whitehall communications group also meets where scheme approaches to ABS-RSS are due to be discussed and stated that feedback from this group could feed into the FPS ABS-RSS development.

4.26 CH went through the IC-DC section of the paper for the Board including timelines and explained that the default position for a member who does not respond is that the benefits awarded would be legacy scheme benefits. Scheme managers also have discretion to make an election on behalf of members, but this should be on a case-by-case basis only.

4.27 HS raised the point that it is difficult to determine the value of benefits when they mean different things to different people, for example, FPS 1992 benefits may be chosen due to the higher lump sum commutation, however, the pension would cease on remarriage. CJ agreed and added that it also depends on timing as to which benefits are better for whom and when.

4.28 FC asked if there was the option for a scheme manager to not make an election by virtue. HS confirmed that there was, and then legacy benefits would be paid by default but felt that this is a big responsibility to put on a scheme manager.

4.29 JL said that these cases might create Pensions Ombudsman determinations and that there needed to have been a discussion on the cases in question and a process with criteria to follow for scheme managers.

- 4.30 AM asked HS if she expected many cases whereby a member does not make an election. HS said that there may be more than schemes would like. CJ added that it would only take one case for a process to be needed.
- 4.31 FC pointed out that there will be different types of cases, for example in cases where you have contacted a member on several occasions and you are aware that they have received the options, but they have not replied, then you could argue that they have chosen the default option. In other cases, you may not have been able to make any contact with the member and so the situation is less clear.
- 4.32 HS indicated that the Board could give some thought as to how scheme managers can be assisted in making each decision as they may not have a full understanding of the implications of these decisions and the technical aspects of each scheme. CJ pointed out that scheme managers may also not be aware of all external factors in relation to a member's case. CJ agreed that advice or guidance should be provided.
- 4.33 JL asked the Board, in order to ensure consistency, what forum should be used to take this forward. RH asked if there is an obligation in the Act to consider making a decision by virtue. JL confirmed that it is the act that introduces the concept of a decision by virtue.
- 4.34 CJ commented that consideration needs to be given to the beneficiary and whether they can be given factual information to stop it escalating to the point where a decision by virtue becomes necessary.
- 4.35 HS pointed out that an RSS for a beneficiary will need to be in a different format with links contained within it providing access to further information. JL suggested that the communications group

could look at that, but criteria would still need to exist to make a decision. CH said that this issue will be considered.

4.36 CH went through the added pension element of the paper explaining that some members may not have been able to buy service in the legacy scheme if the added pension was converted back. This was due to service caps and time limits on making elections. HO had stated that the only option was therefore to refund additional pension contributions to the member. This was not favoured by the participants of the SAB collaboration session and HO were asked to reconsider whether other options were available such as an Additional Pension Benefit (APB).

4.37 GM said that he did not feel that refunding contributions was in the spirit of what was intended and that some sort of pension benefit should be awarded.

4.38 JL added that she was keen to know how many people would be affected by this. HS commented that it was not likely to be a large number of members, but the right mechanism should be in place for those who do have added pension contracts.

4.39 CH said that it was not clear what other options had been considered and whether this had been taken away from the collaboration session as an action. FC confirmed that it had been taken away as an action for HO but there was also an action for the SAB attendees to tell HO what they thought the other options could be, which would not advantage some people over others.

4.40 AM confirmed that HO cannot introduce an option which would be discriminatory for protected members. HO had looked at conversion to added years but there are limitations in the FPS 1992 so it would not be fair to let others do this on a blanket basis. APBs also have issues as these include both employee and employer contributions and AM felt that the simplest legal route was to refund contributions.

- 4.41 JL indicated that the collaboration group had asked what the restrictions were, and she felt that there needed to be a better audit trail showing why the other options were discounted. JL indicated that other pension schemes are using different solutions.
- 4.42 AM again highlighted that there could be discrimination concerns around using other options to deal with added pension cases. JL asked if there was discretion to deal with FPS cases as there were so few.
- 4.43 AM asked if the number of people affected, including those where a 30-year service cap would apply, could be fed back to the HO. HS agreed to obtain numbers in respect of these cases.
- 4.44 CH went through the transfer section of the paper, detailing that the current proposal is for the transfer value to stay in the scheme until the member makes a choice on their benefits, by using Section 18 of the Act.
- 4.45 CH asked if a member does not have any reformed scheme service would a member be compensated accordingly. AM will check and confirm and asked CH to email the query to him.
- 4.46 CH asked for feedback from the sessions. GM thought that the sessions were informative and fulfil the objective of highlighting issues before drafting is done. JL asked for suggestions as to how the drop-in sessions could be improved. FC said that the purpose of the sessions was for people to ask questions and not for HO to impose a topic on them.
- 4.47 JL asked if it was possible to remind people of the outstanding points from previous collaboration sessions before each drop-in. FC suggested that the SAB could compile its own questions for the sessions.

- 4.48 CH suggested that the action log could be recirculated before the sessions.
- 4.49 James Allan (JA) asked if topics were revisited following the collaboration sessions. FC confirmed that there were no further specific sessions, but HO continue to update their material and liaise informally with those concerned. Additionally, the next set of sessions will be more scheme specific so this should facilitate more questions.
- 4.50 JL confirmed that the drop-in sessions are intended to be used to capture questions that arise afterwards.
- 4.51 GM asked where questions should be directed to. JL confirmed that SAB members should direct these through the Chair of the SAB.
- 4.52 JL encouraged the Board to attend the collaboration sessions as much as possible.
- 4.53 Cllr Roger Price (RP) asked if we know the critical dates referred to in the paper for software suppliers. HS confirmed that Civica have project management teams and there is an element within their timelines to cater for any slippage in time. CH confirmed that Heywood Pension Technologies are writing to the HO directly with concerns around timelines and any blockers which they felt could delay development.
- 4.54 RP asked if software providers tell the relevant parties when they are close to deadlines. FC confirmed that HO have a clear sense of the timings that the software providers are working to.
- 4.55 JL responded to a question from Councillor Price as to whether the SAB could write to HMT noting this was possible but that she thought they are aware of timings and that a letter may distract from the work that is happening. CH added that HMT are aware of the

urgency of the information and that project management meetings are happening regularly with pressure being placed on HMT.

ACTION 08.09.2022 (4.43): HS to obtain the number of added pension contracts at WYPF and to look at the number of those members with potential service to 30 years.

ACTION 08.09.2022 (4.45): CH to email the HO to ask if a member does not have any reformed scheme service would a member be compensated accordingly.

5. Temporary in the context of the scheme: Paper 2

5.1 CH explained the background of the outstanding action in relation to temporary contracts to the Board.

5.2 CH indicated that there were three possible options to take this forward. Firstly, to ask if the Board felt that relying on Section 22 of the Equality Act could be used by FRAs to enrol employees on temporary contracts into the FPS 2015 in order to avoid potential discrimination.

5.3 CH indicated that the second option would be to recommend that FRAs make a joint commission for legal advice.

5.4 CH indicated that the final option was to ask for the word “temporary” to be removed from the FPS 2015 definition of a firefighter under an amendment for prospective cases.

5.5 MR indicated that although discrimination could potentially be argued for in relation to apprenticeships, so the Schedule 22 point could be considered, the FBU would favour the creation of legal advice via a joint commission.

5.6 HS felt that the regulations are inconsistent as a temporary contract could be for two years, but a deferred member has a benefit after three months. Therefore, they are being employed beyond the

vesting period for the scheme and not able to join the Firefighters' Pension Scheme. HS's view was that a regulation change would be most favourable.

5.7 MR asked for confirmation whether if a person is employed on a two-year fixed term contract and then they become permanent the first two years would count as pensionable service. HS confirmed that this would not count.

5.8 RH asked if it was possible for members to retrospectively join. HS said no and pointed out that this would cause issues in relation to tax and arrears of contributions.

5.9 CM asked if the Board had taken any legal advice in respect of these proposals about any adverse knock-on effects to the regulations.

5.10 Jane Marshall (JM) pointed out that the number of people affected by this are unknown. HS informed the Board that some FRAs use existing retained firefighters on a whole-time contract for a period of time and then they revert to retained when the contract ends. HS pointed out that this means that they do not have the same entitlement under the compensation provisions.

5.11 GM advised that he favoured a change in the pension scheme regulations to accommodate this as it would provide consistency but wondered whether there could be another option which would be to define the meaning of temporary. FC pointed out that putting workforce style definitions into legislation causes problems when roles change as the regulations also then need changing.

5.12 HS suggested looking at the wording of the LGPS regulations for a possible steer.

5.13 RH asked how big this problem is. MR indicated that it is a growing problem.

5.14 Philip Hayes (PH) asked why it was an issue because both whole time and retained firefighters are in the same scheme. HS explained that the issue is in relation to the contract being defined as temporary even though the person may have been in the scheme already in a different role.

5.15 AM asked for clarification as to whether this proposal was for retrospective or prospective changes. HS confirmed that this was for prospective changes only.

ACTION 08.09.2022 (5.12): A comparison of LGPS and FPS regulations to take place in respect of the treatment of temporary contracts in order to consider whether it would be appropriate to consider making a request for a legislative amendment to the FPS.

6. Retrospective correction of pensionable pay: Paper 3

6.1 CH summarised the paper which gave the SAB an understanding of the outstanding action in relation to pensionable pay.

6.2 CH said that there were three options suggested. Firstly, for the SAB to provide limited practical guidance about how far back FRAs can go when correcting pensionable pay. The second option is to provide a method for joint legal advice and the third option is to do nothing and close the action.

6.3 CH pointed out that option one and three would leave FRAs with continuing inconsistent application on pensionable pay rectification.

6.4 HS pointed out that even joint legal advice may not solve the problem as FRAs do not have to take the advice which is given to them.

6.5 JM also highlighted that joint legal advice can be sought but because individual scenarios are so different, these would need to be looked at on a case-by-case basis anyway.

- 6.6 JM highlighted that different sorts of members can be dealt with in different ways, for example, it is easier to recoup payments from active employees and also to go back further than six years due to the existence of a contractual relationship. It also depends on the level of underpayment which is being sought as to how cases are treated. This can sometimes be why solutions are devised locally.
- 6.7 HS said that a note laying out the issues and pros/cons of each one is as much as the SAB can do, so that every FRA has got the same basic information as a starting point.
- 6.8 AM informed the SAB that in Norman v Cheshire in 2013, HO had facilitated a meeting with several FRAs whereby a set of principles relating to the incorrect payment of contributions on pensionable pay were agreed and taken forward and asked if these principles could be considered again.
- 6.9 JM confirmed that in that case recovery was limited to six years. CH said that the LGA had looked at this case when considering the open action and that Sean Starbuck had indicated at that time that Norman v Cheshire was different because it was as a direct consequence of a court action. CH also highlighted that Norman v Cheshire did not involve correcting pay beyond six years and that the correction period was less than six years.
- 6.10 JM advised that some pay adjustments occur outside of the period that would be used for the calculation of pension therefore members get no benefit for repaying contributions. In these cases, the situation is more complex.
- 6.11 GM agreed that the Board should not do nothing and suggested that the SAB develop communications which explain the position as well as possible.

6.12 JL asked if JM had previously prepared a note on pensionable pay rectification. JM confirmed that was correct, but agreement could not be reached on the content of the note. FBU representatives wanted a definitive position, but this is not possible to provide in the absence of a court judgment.

6.13 RH agreed with providing information to FRAs without giving a definitive position. RH said if scheme managers wanted to take this further, a commission should be made through the FSMC, to send to FRAs asking them to accept communal binding advice.

6.14 HS suggested referencing the Norman v Cheshire informal agreement so that FRAs are aware of the case and its principles. RH promoted reducing inconsistency to a minimal level while still allowing room for discretion.

6.15 JL noted that option 1 was the meeting's preferred option and suggested that the previous note is looked at again and re-circulated for a decision to be taken in December's meeting.

ACTION 08.09.2022 (6.15): JM to prepare note for re-circulation at the SAB meeting of 8 December 2022

7. 2015 Remedy Update: Paper 4

7.1 CH explained the current situation regarding remedy from paper 4 and the communication exercises that the LGA had undertaken since March 2022. CH also indicated that there is a secondment opportunity in the LGA team which aims to help workload from a communications viewpoint. No additional expenditure is necessary for this role as it was already built into the budget.

7.2 CH informed the Board that the LGA and NPCC are working together on a piece of work which will help to decide on the prioritisation of cases for remedy. This workstream will be taken through the Scheme Management and Administration committee.

7.3 FC advised the Board that although in two sequential financial years the HO had been able to secure additional funding towards pensions administration, it is unlikely that additional funding will be able to be secured at the end of the forthcoming financial year. Therefore, FC advised that FRAs use funding that is currently there to the best possible effect. This was noted by the Board.

8. Pensions Dashboard: [Paper 5](#)

8.1 CH summarised the paper and highlighted the date whereby view data would need to be available. JL asked if this was the date when members would be able to see if they have a record. CH confirmed this was the case. HS confirmed that if administrators could produce the ABS/RSS before 30 September 2024 then value data might also be available. If not, then schemes have until 1 April 2025 to provide this data.

8.2 CH pointed out that a commuted lump sum figure does not appear in the data standards and the LGA had responded on this in the consultation. HS commented that firefighter benefits do not contain an automatic lump sum and therefore this is correct. Members have to choose a commuted lump sum at retirement. GM stated that people will want to see a lump sum figure on there.

8.3 CH commented that commuted lump sum figures are shown on the ABS and therefore members would have a legitimate expectation of seeing it on the dashboard. HS agreed but this was only shown in the projections, not the current value of benefits. CJ also commented that it is not a requirement to project on ABS. HS pointed out that if commuted lump sum figures are going to be a requirement then administrators will need to be made aware of this.

8.4 JL said that there were two issues: firstly, whether this needs to be shown and secondly to get discussions underway as to how this can be done, deciding what is shown on the statement as there are different options. HS agreed because FPS offers commutation options where tax charges are payable on commutation which exceeds the HMRC maximum and this could be shown gross or net for the member. CM agreed with HS that a lump sum is an option at retirement rather than an option when showing current benefits.

8.5 CH went on to confirm that the LGA had responded in respect of the 30-day connection timeframe, stating that it may be too short due to the limited number of connection points. The response also requested the ability to add warnings to the dashboard for example in cases where the person is a retained firefighter, due to the difficulty in projecting forward. HS commented that the same issue applies for the ABS for this cohort of members in projecting forward. CH confirmed that the LGA had highlighted the need for caveats which advise the member not to rely on dashboard information for retirement planning purposes.

8.6 JL confirmed that TPR have asked the SAB if they can attend the December 2022 meeting. TPR will be monitoring dashboard compliance. CH also confirmed that TPR will be invited to the Local Pension Board effectiveness committee to go through the single code of practice.

8.7 HS confirmed that WYPF have gone out to tender for the dashboard programme but expected that FRA clients will connect via WYPF. She believes that they will be a beta site and that they will be dashboard ready by the staging date. HS will check on the current situation with WYPF.

8.8 CH asked HS if WYPF responded on the recent dashboard consultation. HS was not aware of a response.

8.9 CH asked if WYPF will host the data. HS confirmed this was the case. CJ asked if there will be a consultation with FRA clients on outsourcing the dashboard contract. HS felt that there would not be but will confirm.

9. Administrator remedy self-assessment survey update: [Paper 6](#)

9.1 CH outlined the contents of paper 6 in respect of the self-assessment survey which had been noted in the SAB meeting on 23 June 2022.

9.2 CH explained that the results were pleasing but the LGA had made several recommendations to administrators to help with the forthcoming challenges of remedy, for example having a project management team which meets regularly.

9.3 CH spoke about the need for completing the data collection template. HS confirmed that there is an issue with the Civica template and that as a result of this, it is being re-issued. It is a problem which will affect all administrators who have Civica as their provider. HS confirmed that a revised extract code is needed.

9.4 CH highlighted that according to the survey there is a skill shortage in fire pensions, which is shown in the FPS bulletin where five vacancies had been advertised in one month for pensions staff.

9.5 RH asked if it was a risk. HS confirmed that in her view it was a risk because other staff would then need to gain the knowledge that the person that has left has.

9.6 JL raised the point that it is also a pension board responsibility to ensure that this risk is covered. CH confirmed that this is highlighted on pension board training sessions so they should have it on their risk registers.

9.7 JL said that the SAB shares the concerns of the administrators and local pension boards on this risk.

9.8 HS confirmed that pensions and payroll staff at FRAs are the bigger risk because they usually have only one key person doing the role.

9.9 CH pointed out that according to the survey, scheme manager liaison with administrators on dashboards was particularly low. HS echoed this for WYPF stating that there is an assumption that the administrator will complete this for FRAs.

9.10 CJ asked if WYPF had been asked anything with regards to costs for implementing dashboards. HS confirmed that only one or two FRAs had asked.

9.11 RH asked if it would be helpful for the SAB to write to scheme managers as a reminder that dashboards require implementation and to remind them that they are ultimately responsible. Both CH and JL felt that this would be a good idea. HS will also add text around dashboards to WYPF correspondence which is due to be sent.

ACTION 08.09.2022 (9.11) SAB Chair to draft letter for scheme managers highlighting their responsibilities for ensuring that dashboards are implemented for FPS.

10. Action summary update: [Paper 7](#)

10.1 CH detailed the actions which had been closed and were in progress.

10.2 With regards to action 04.10.2018 (5), CH asked whether there were any objections to the ill health literature being amended by the LGA instead of having a working group to do this. RH said that would be acceptable if the SAB could have sight of the draft once it is ready for consideration. CH also confirmed that if a working group was required after the literature had been amended then this was still an option at that point.

10.3 HS asked if the communications group could look at devising a member injury guide. CJ commented that she had previously created a member guide to the ill health process in her previous role which may be a useful starting point for this purpose. HS confirmed that it needs to cover topics such as DWP benefits and the responsibilities of the member in respect of these. This is to avoid overpayments which have occurred.

10.4 CH asked SAB members to complete their training needs analysis forms and return to the LGA. If help is needed in completing these, please contact the LGA for assistance. CH also confirmed that the dates for the SAB induction/ refresher have been confirmed as shown in the paper.

10.5 With regards to action 23.06.2022 (6.6), CH asked the Board what their views were of progressing this action given that FSMC representatives already sit on the Board. RH said that he felt that FSMC should be consulted directly and suggested that a briefing note is provided to them accordingly for consideration.

11. Any other business and Date of next meeting

11.1 JL informed the Board that the budget is currently being worked on.

11.2 No other items of AOB had been received.

11.3 The date of the next meeting was confirmed as 8 December 2022 to be held online by MS Teams.



Actions and agreements

23 January 2023

Location: MS Teams

PRESENT

Joanne Livingstone	SAB Chair
Philip Hayes	Scheme Member Representative (FRSA)
Pete Smith	Scheme Member Representative (FBU)
Tony Curry	Scheme Member Representative (FBU)
Andrew Scattergood	Scheme Member Representative (FBU)
Glyn Morgan	Scheme Member Representative (FOA)
Janet Perry	Scheme Employer Representative (LGA)
Cllr Roger Price	Scheme Employer Representative (LGA)
Cllr Frank Biederman	Scheme Employer Representative (LGA) – nomination
awaiting approval	
Cllr Nikki Hennessy	Scheme Employer Representative (LGA)
Helen Scargill	Technical Adviser
Craig Moran	First Actuarial
James Allen	First Actuarial
Mark Poulston	Legal Adviser
Claire Hey	LGA – Board secretariat
Elena Johnson	LGA – Firefighter Pension Advisor (Minutes)
Frances Clark	Home Office
Anthony Mooney	Home Office
Tantara Fox-Stilwell	Home Office
Karen Gilchrist	SPPA (observer)

Angela Bell

The Pension Regulator (Item 5)

Lucy Stone

The Pension Dashboard Programme (Item 5)

1. Introductions, apologies, and conflict of interest

- 1.1 Alan Wilkinson, Des Prichard, Mark Rowe, Cllr Nick Chard, Cllr Roger Phillips, and Roger Hirst sent their apologies. Roger Hirst was substituted by Janet Perry (JP).
- 1.2 Joanne Livingstone (JL) advised that Cllr Frank Biederman (FB) will be replacing Cllr Stephens as the Independent Group scheme employer representative once the nomination has been approved.
- 1.3 JL advised that the meeting would not be quorate again due to the number of apologies received.
- 1.4 JL welcomed Mark Poulston (MP) who replaces Jane Marshall from Weightmans as Legal Advisor to the SAB.
- 1.5 JL reminded members of the Board to declare if any new conflict has arisen. It was confirmed that there is no requirement for forms to be completed. No conflicts were declared.

2. Actions arising (8 September 2022) and Chair's update

- 2.1 Claire Hey (CH) asked the group for any comments on the minutes from the meeting of 8 September 2022. These could be submitted either now or by email after the meeting.
- 2.2 CH went through actions arising. Action 4.13 from 8 September 2022 relating to added pension contracts has been completed by Helen Scargill (HS) based on information held at WYPF and the figures fed back to the Home Office (HO) to aid policy decision. JL asked for the numbers affected. HS confirmed that they have 25 added pension contracts recorded at WYPF for the 23 fire authorities that they administer.

2.3 CH confirmed that action 4.45 from 8 September 2022, for CH to email HO to ask if a member who has no FPS 2015 service post-remedy would be compensated if they had a transfer-in, has been completed and the issue has been clarified during one of the PDD engagement sessions.

2.4 CH confirmed that the LGA has done some analysis on the FPS/ LGPS regulations for action 6.1 from 11 June 2020, relating to temporary contracts versus casual contracts. Temporary contracts create challenges for the FPS where eligibility is concerned. Further actions were noted later in the meeting.

2.5 CH advised that Jane Marshall had taken an action to create a note on pensionable pay, particularly relating to the correction of retrospective contributions. This will be covered under item eight.

2.6 CH advised that action 9.11 from 8 September 2022, for the Chair to write to Scheme Managers highlighting the importance of being dashboard ready, had been completed and the letter issued on 27 October 2022.

2.7 CH confirmed that all actions arising from the September meeting had been closed.

2.8 JL provided the Board with a Chair's update:

2.8.1 JL highlighted that the collaboration sessions for remedy had featured strongly since the last meeting.

2.8.2 JL informed the Board that the subject of quoracy needed to be discussed as the current and previous meetings were not quorate, despite the December meeting being rescheduled. Point 31 of the [Terms of Reference](#) requires the Board to have ten members present with at least three employee and three employer representatives present plus the Chair. JL said that consideration could be given for reducing the number of members which were required to fulfil quoracy rules. JL asked the Board for views on this subject.

- 2.8.3 Glyn Morgan (GM) felt that if the Board cannot function then from a practical point of view, the Terms of Reference need to be looked at.
- 2.8.4 Cllr Roger Price (RP) agreed that he had no problem in the numbers being reduced as long as there is equal representation from each side: employee and employer representatives.
- 2.8.5 JL agreed that it should be equal on each side, and it was for the Board to agree on the numbers for each. JL asked the other representatives from the members side to provide a view.
- 2.8.6 Craig Moran (CM) asked if the Board should look at how other SABs are set up for comparison purposes, to see if this is a Fire SAB issue or a broader issue. JL felt that the Fire SAB had a different make up because of the different union representation which made up the Board. JL asked HO how many members are on the Police SAB. Frances Clarke (FC) advised that it is difficult to compare to the Police SAB as Fire has the local government element to it. There are other schemes which could provide a better comparison, FC will have a look at this as Teachers may be more similar.
- 2.8.7 Andrew Scattergood (AS) indicated that the FBU would not have an issue in exploring it as the functioning of the Board is vital to conduct business. They would need to look at the detail of what is being proposed but are happy to explore this. AS said that it was a question of whether it was possible to change the Terms of Reference but noted that this point would also be looked at. JL confirmed that the SAB will explore whether this can be legally changed.
- 2.8.8 Philip Hayes (PH) confirmed that the FRSA does not have a problem in the Terms of Reference of the Board being looked at. He also noted that the use of MS Teams should make attending meetings easier.

2.8.9 JL agreed that the Chair and secretariat should investigate whether the Terms of Reference can be changed, and the Board would be consulted on any amendments.

2.8.10 JL advised that a chair is still needed for the Local Pension Board effectiveness committee which should be on the employee side and the planned Matthews Working Group still requires two employer representatives. However, JL advised that the Matthews Technical Working Group which already exists could be used as a way forward. CH explained that a Matthews Working Group containing representatives from the SAB was originally to be formed to ensure the governance of the project; however, as there have been difficulties in obtaining the representation for this group, CH suggested that the SAB feed into the Matthews Technical Working Group as an alternative way to provide oversight for this project. CH suggested that one employer representative and one employee representative could be involved in the group. JL asked the Board to put forward names for these two groups.

ACTION: 23.01.2023 (2.8.6): Home Office to look at how other SABs are constituted to provide a comparison when looking at whether the terms of reference of the FPS SAB (England) can be amended.

ACTION: 23.01.2023 (2.8.9): SAB Chair and secretariat to investigate whether the Terms of Reference can be changed, and the Board to be consulted accordingly.

ACTION: 23.01.2023 (2.8.10): SAB members to volunteer for the Matthews Technical Working Group

3. Home Office update

3.1 FC provided an update on the McCloud timeline, advising that there will be a delay in the publication of the retrospective regulations from January 2023 to

February 2023. This has been due to delays in receiving the relevant tax material from HM Treasury needed to produce draft regulations.

3.2 FC confirmed that HO is working closely with the LGA, NPCC, administrators, and software suppliers to try to minimise the impact of this delay and is making their policy thinking known as early as possible to encourage incremental working processes.

3.3 FC confirmed that there is an engagement session on tax on 24 January 2023 and the final session on tax will be held during February 2023. Following this the formal consultation stage will begin.

3.4 In respect of the valuation timeline, FC does not anticipate any delays to the implementation of the valuation timeline but a response to the SCAPE rate consultation is still awaited.

3.5 In respect of the Matthews remedy, FC confirmed that work is going well on this and thanked all those involved in the Technical Working Group for their valuable input.

3.6 FC said that HO will facilitate an informal briefing session on Matthews ahead of formal consultation where members of the SAB can be informed of the current policy thinking. FC advised that HO would contact SAB members to invite them to this session.

3.7 Craig Moran (CM) advised that the SAB had a session with GAD six months ago on their initial thinking on the scheme specific assumptions and asked if any further engagement sessions would be arranged with GAD or whether this would happen when the initial results are made known. CM also asked if the SAB would have first sight of a valuation data report to review, as they had in 2016, before the final results are made known. CM asked if there was a timetable showing what would happen when. FC will find this information out for the SAB.

3.8 CH asked whether training with GAD about assumptions can be considered for SAB England, as the devolved administrations have arranged for their

respective Boards. CH also asked if there was any further information available regarding financing for remedy.

3.9 FC confirmed that HO are aware of the significant costs of remedy and conversations around funding are currently on-going. JL expressed the need for clarity on who is paying for which elements of remedy and the need for details of the mechanisms for reclaiming money. FC advised that it is always useful for HM Treasury to be made aware of the different way in which FPS is funded and that discussions continue to take place on funding.

ACTION 23.01.2023 (3.6): Home Office to invite SAB members to a Matthews informal briefing session ahead of consultation.

ACTION 23.01.2023 (3.7): Home Office to liaise with GAD on information which will be released on the 2020 valuation and the relevant timetable for this.

4. SPPA Update

4.1 Karen Gilchrist (KG) shared SPPA's experiences of the removal of the commutation cap. From December 2021 to February 2022 they sent out a consultation on behalf of the Scottish Government to gauge views on removing the commutation cap and the commutation underpin, which does not apply in England.

4.2 KG advised that during the consultation, concern was raised over workforce planning because at the same time that this change was due to come into force, all members of the Firefighters' Pension Schemes were moved into the FPS 2015.

4.3 KG advised that three responses were received to the consultation. Two were from the unions. The FBU and FOA had no objections to the proposals. One pension scheme member also responded to the consultation with concerns as to whether the scheme would remain stable.

4.4 KG confirmed that it was highlighted that the changes were not going to be retrospective and that they would be actuarially neutral.

- 4.5 KG confirmed that workforce planning concerns were raised by members of the SAB. KG said that there was a peak in retirements from April-June 2022 but that the number of retirements had stabilised after that point. KG confirmed that this is being monitored by Scottish Fire and Rescue Service to ensure that this remains the case.
- 4.6 JL asked the Board what the next steps should be following SPPA's update.
- 4.7 GM indicated that FOA would like this to be taken forward in England, particularly as it does not seem to be making a significant impact on the scheme. GM made the point that it would be difficult to agree a way forward with the meeting not being quorate.
- 4.8 CM asked the member representatives if they could explain how much of a factor the restricted commutation is in deciding when a member retires and if there are other areas which are also considered. GM advised that from members he has spoken to, there is a small percentage of members who are deterred from retiring due to commutation constraints.
- 4.9 Philip Hayes (PH) said that for retained firefighters, it is not a significant influence as their retained contract is more of a working pension which is nice to have.
- 4.10 HS confirmed that West Yorkshire Pension Fund (WYPF) is seeing an increase in members retiring with a restricted commutation amount for a variety of reasons and added that it would be beneficial for them to have the choice of taking the unrestricted lump sum; however, it may not necessarily increase the retirement numbers because that trend is already occurring.
- 4.11 PH asked HS if the data shows how many firefighters are retiring on that basis who are on-call, compared to wholetime firefighters. HS confirmed that on-call firefighters are not affected by a commutation cap as they are members of the FPS 2006.
- 4.12 JL asked the Board how it wished to proceed; either to take no further action or to submit a proposal to the Home Office for regulatory change. CH advised

that HO had previously made it clear that the SAB would need a very robust business case for this to be considered because commutation is a central government policy area. Evidence would be required which shows the benefits of removing the commutation cap.

4.13 CM advised that, in terms of the overall funding of the scheme, the factors in the design of the FPS 1992 are essentially cost neutral; however, the cost implication arises because employers have to pay the cost which relates to the excess over the commutation cap themselves.

4.14 JL asked CH if a business case would need to evidence that members are being prevented from making a choice due to these restrictions. CH confirmed this was the case.

4.15 HS advised that she had done some basis estimates for members which compared the different benefit options that a member can take, with the result being that the member would receive fairly equal amounts over the whole retirement period. So it is just a different way of taking the benefits. HS advised that financially the scheme does not appear to have additional costs in using that option. HS added that these calculations were for specific cases and further investigation would be needed should the proposal go forward.

4.16 JL concluded that pursuing a business case was likely to be difficult. JL felt that cashflow was an area where things may change, particularly with remedy and the payment of extra lump sum amounts. JL asked the Board if they were content to keep this item on the agenda and review it periodically.

4.17 GM confirmed that he was in agreement with this and would consider what a business case could look at. GM said that it would be useful to hear other member's views. JL suggested that Board members could consider what a business case could look like and acknowledged that other views would be required due to the meeting not being quorate.

ACTION 23.01.2023 (4.17): SAB members to consider whether to pursue a change in commutation rules for FPS 1992 in England and what needs to be included in a business case if this is to be pursued.

5. The Pension Regulator (TPR) – Pensions Dashboards

5.1 Angela Bell (AB) and Lucy Stone (LS) joined the meeting to provide an update on pensions dashboards. AB explained that she is the key point of contact for dashboards and that she leads the industry engagement workstream and the focus of that is to understand industry challenges and concerns with complying with the regulations and to develop solutions. There are also workstreams for communication, operational design, and policy. The project as a whole is led by Lucy Stone as the Business Lead. The dashboard team is ringfenced and so is 100 per cent dashboard focussed.

5.2 AB shared [slides](#) on:

- Pensions dashboards - current challenges and opportunities
- How pensions dashboards will work
- Consultations and regulations
- Preparing for pensions dashboards
- Commonly asked questions
- Compliance and enforcement policy

5.3 In relation to compliance, JL understood that previously TPR had been unable to directly deal with maladministration issues and asked AB to explain further about this area. AB explained that a precedent had been set by auto-enrolment whereby action could be taken against those assisting the implementation of auto-enrolment, for example accountants. LS confirmed that TPR already has third party notices and can fine third parties. The dashboard programme also has these powers to operate at scale. TPR are aware that scheme managers will have an increased dependency on third parties to implement the dashboard programme and so TPR will be more willing to use these powers.

- 5.4 AB added that it is important for schemes to keep a good audit trail of who is doing what in terms of roles and responsibilities. JL confirmed that it will be the individual scheme managers rather than the SAB who will be doing this.
- 5.5 JL asked the Board if there were any other questions for TPR. AB advised that TPR are happy to take any additional questions after the meeting by email should any arise later.
- 5.6 JL asked if any feedback was being received by scheme managers or local pension boards about pension dashboards. CH confirmed that there had not been a lot of feedback so far. The LGA has been trying to engage with the sector through coffee mornings on dashboards and LS and Richard James from Pensions Dashboard Programme provided a session at the AGM in October 2022. The problem currently is that other pressing issues such as McCloud and Matthews are being treated as higher priority.
- 5.7 CH advised that funding for dashboards was a concern for the fire sector and that the LGA was liaising with HO on this area.
- 5.8 CH also advised that it is expected that most fire authorities will connect through their administrator and existing software supplier if they are offering an Integrated Service Provider service. CH's concern is around the stand-alone administrators and the challenges that this poses for them.
- 5.9 CH highlighted that good data is key and confirmed that the LGA data scoring guidance will be updated to include dashboard value data fields. CH asked TPR if this document could be sense checked by TPR before publication. LS agreed.
- 5.10 CH advised that initial plans are in place to hold a joint LGA/ NPCC conference on data during May 2023. Further details will be provided in due course.
- 5.11 Cllr Nikki Hennessy (NH) advised that she was due to attend a meeting with her Chief Fire Officer and administrator and that she would raise pension

dashboards and ask for confirmation of the progress made to date. NH also asked that if she should be asking any particular questions.

5.12 HS advised that since the pension dashboard letter was sent by the Chair of the SAB, WYPF has received a number of enquiries from fire authorities asking on progress and anything which scheme managers need to do. WYPF is going to be using its monthly client report updates to feedback information on dashboards. HS also advised that WYPF has sent information out to fire authorities to highlight the importance of the month twelve data return being as accurate as possible, because month twelve contains the information needed to feed into the annual benefit statements, remediable service statements (RSSs) and the dashboard. WYPF is going to be setting up some training sessions with its payroll providers to ensure they understand the importance of accurate data for this purpose. HS confirmed that WYPF has also done work with fire authorities to update absence and service details so as to cleanse the data for remedy purposes.

5.13 HS advised that address checks will also be done for deferred members before the dashboard programme goes live. LS asked if HS could share those communications with TPR.

5.14 LS advised that there will be a public sector survey issued and TPR can come and talk to the SAB regarding the results and delve deeper into them, discussing any areas of concern.

5.15 AB said that TPR are working on a content toolkit, and she would like to issue this to the Firefighters' Pension Schemes before the initial nudge letters go out in June 2023. The key messages can then be used in fire sector communications to scheme managers.

5.16 AB also said that questions for fire authorities could centre around connection, find, and view. This concerns how are they going to connect and what their 'find' policies are going to be. AB highlighted that the Pensions Administration Standards Association (PASA) will be issuing guidance on matching conventions and value guidance. AB asked the LGA to contact TPR

should attendance at the data conference be needed via the speaker request form.

5.17 JL thanked AB and LS for their attendance.

ACTION 23.01.2023 (5.13): Helen Scargill to share the communications which WYPF has issued to their FRAs in respect of year-end data with TPR.

6. PDD engagement sessions: Paper 1

6.1 CH summarised the paper which detailed the PDD engagement sessions that had happened since the last SAB meeting. CH informed the group that the tax session on annual allowance and lifetime allowance is the next session and strongly encouraged Board members to attend.

6.2 CH also informed the Board that Elena Johnson (EJ) had created a new webpage called [Fire and Police SAB remedy collaboration sessions](#) to hold documents relating to each area of remedy, including the original PDDs.

6.3 GM advised that the invite for the tax session had not been received. FC said that the invite will be sent out again to those affected.

6.4 CH asked Anthony Mooney (AM) if a final policy position had been reached on the recovery of member contributions. AM said that the Home Office is still considering the final policy position, but this will be communicated as soon as possible.

6.5 CH asked if this would be known prior to formal consultation. AM said that may be possible on an informal basis.

6.6 JL asked if the content of other pension schemes' regulations had any impact on the policy position of the Firefighters' schemes. AM re-confirmed that HO are still considering the final policy position.

6.7 CH summarised the section in the paper regarding ill-health retirement. AM pointed out that a protected member who had been turned down for ill-health retirement after 1 April 2022 but where the process had commenced prior to that date, would need to be referred back for reassessment as they would

qualify for the ill-health underpin and be assessed to a normal pension age of 55 instead of age 60. CH agreed that this would apply and would have retrospective effect.

6.8 HS asked how taper members' benefits would be recalculated. CH confirmed that tapered protected members cannot continue to receive their current benefits. HS therefore asked if tapered protected member benefits could decrease if the FPS 2015 benefits for the whole period are lower than what is already in payment. CH confirmed that this could be the case but there is provision in the PSPJO Act for schemes to deal with mixed service benefits.

6.9 CH detailed HO's policy proposal for optants out under which it is suggested that firefighters may opt back in under a contingent decision if they opted out up to two pay periods before transition to the FPS 2015. If a firefighter opted out outside of this timeframe, then evidence of the reason for opting out would be required in order to consider it as a contingent decision. CH asked the Board for their views on this specific period of time.

6.10 JL felt that it was reasonable to have some cases who would automatically qualify for a contingent decision if they opted out close to the transition date. For cases where evidence is needed, JL felt that this will be more difficult to determine as it is unlikely that firefighters would have specifically cited the introduction of the FPS 2015 as the reason for opting out. JL felt that the SAB needs to think about who will be making the decisions and whether there needs to be a body to deal with these, separate to the Internal Dispute Resolution Procedure (IDRP). JL asked Board members how they felt it should be taken forward, for example, through Local Pension Boards subject to centralised guidance.

6.11 CH asked KG if any policy decisions had been made in Scotland on optants out under Section 5. KG indicated that it had been discussed more as a nationwide topic. KG confirmed that SPPA had looked at the opt out forms, some of which mentioned financial reasons and that people did not want to move to the FPS 2015. In some cases there was an email trail; however, these were few in number. CH said that this could be taken forward as an

action by the LGA. JL agreed that it should be tabled for a future meeting taking into account experience from other schemes. JL suggested that the LGA could liaise with FRAs and LPBs to ask what information they hold on the reasons why firefighters opted out.

6.12 GM asked if there was any information available about how to raise other contingent decisions for those who are outside of the time limit and for those who do not succeed in their claim for a contingent decision, for example, in the compensation provisions.

6.13 CH confirmed that there is still some work to be done in this area. The PDD set out the principles under which a member could make a claim and says that there will be a form for the member to use for this purpose. Schemes would need to consider how they would communicate that this form is available. CH confirmed that there is not a definitive list of things which would be considered. CH asked HO if it had any further information. AM confirmed that if scenarios were being picked up then HO would need to refer them to HM Treasury for a view. CH suggested that union representatives could highlight scenarios that they have been made aware of, as early as possible, so that these can be noted and considered.

6.14 CH summarised the added years section of the paper, explaining that where a scheme manager agreed that a member would have taken out an Added Years contract during the remedy period had they have been eligible to do so, the member could enter into a contract retrospectively. CH explained that HO had sought views on the timing of the election: either from 1 April 2015 or at the earliest date that the member could have made the election, or should the election be deemed to have been made immediately before the remedy period ended. CH explained that an earlier election date would mean better factors for the member. A later election date would mean less interest payable by the member on the contributions that they would owe. CH asked the Board to feed back any views. AM confirmed that views would be helpful.

6.15 JL suggested that the SAB liaise with First Actuarial or GAD to create some scenarios which shows which option is better now that interest rates are known.

6.16 CH asked the Board for views regarding how a consistent approach can be taken on contingent decision claims, given that there are 44 scheme managers in England who may wish to make different decisions depending on their local circumstances.

6.17 JL felt that consistency is needed over all FRAs including the devolved nations and local government because FRAs have members of the LGPS also. JL suggested an industry wide group could be appropriate.

6.18 CH advised that Iain Coltman had contacted the LGA and NPCC regarding collaboration between England and Scotland on contingent decisions. JL confirmed that she welcomed this collaboration.

ACTION 23.01.2023 (6.11): LGA to liaise with FRAs and LPBs to ask what information they hold on the reasons why firefighters opted out with a view to creating a mechanism for dealing with contingent decision cases which do not form part of the automatic right.

ACTION 23.01.2023 (6.13): SAB members to highlight scenarios for contingent decisions to the Board.

ACTION 23.01.2023 (6.16): SAB to liaise with First Actuarial or GAD to commission added years scenarios to determine the most suitable date for the added years election.

ACTION 23.01.2023 (6.18): LGA and NPCC to work with Iain Coltman on contingent decision processes.

7. Retrospective correction of pensionable pay: note to FRAs

7.1 JL introduced Mark Poulston (MP) who will be taking over as the SAB Legal Advisor in place of Jane Marshall.

- 7.2 MP advised that he had been looking at the draft note on the retrospective correction of pensionable pay which addresses some unresolved legal issues. The note had previously been shared with the SAB and has recently been reviewed in light of a Pensions Ombudsman (TPO) determination, Mr T vs Lancashire Fire and Rescue Service ([PO-22474](#)), whereby TPO found in favour of Mr T on the question of whether or not day crewing plus (DCP) allowance should be treated as pensionable. MP pointed out TPO made the point that the determination was specific to that case and the circumstances of Mr T.
- 7.3 MP advised that Weightmans had looked at TPO's decision and found that the note does not need updating in view of that case. Therefore, the note represents the current state of play.
- 7.4 MP asked the Board if there were any further queries or comments on the note before steps are taken to finalise it and to make it widely available.
- 7.5 CH advised that previously the SAB had not been able to reach agreement on the note because there were different legal views among the parties and there is a lack of available case law on retrospection and how and when the Limitations Act should apply. CH confirmed that the note will not be legal advice or guidance but a series of pointers which FRAs need to bear in mind when dealing with retrospective pensionable pay cases. MP agreed and pointed out that the document recommends that FRAs take their own legal advice where appropriate.
- 7.6 AM asked, if the determination was to be applied to the specifics of that case, why the ruling is being applied generally. MP confirmed that the ruling was to the specifics of the case but that the significance of looking at the case is to ascertain whether any general principles can be taken and applied when looking at the note which has been developed for FRAs. MP advised that no general principles could be taken from this TPO determination because the document does not drill down into specific elements of pay. It is a document relating to methodology and process.

7.7 JL asked if the note existed before the case of Mr T vs Lancashire FRS. MP advised that the determination was handed down in January 2021. CH confirmed that the version of the note is dated June 2021 but there would have been an earlier version. Jane Marshall was going to review the document in light of the determination. CH advised that there is sometimes a delay in these determinations filtering down and the LGA does not receive notifications of these cases.

7.8 JL asked whether it should be highlighted in the note that, in retrospective pensionable pay correction cases, where a member does not benefit from a recovery of pension contributions, recovery is still being sought, but in cases which relate to the age discrimination remedy, there is a discretion to waive underpaid contributions.

7.9 MP agreed that recovering pension contributions from members who will not benefit from this is a difficult area. MP said that there are some schemes where underpayment of pension contributions in this way is catered for by the benefits structure but that he understood that this was not the case with the Firefighters' Pension Schemes.

7.10 AM asked if some members would benefit from retrospective pensionable pay changes. MP confirmed that some people would benefit from this including pensioners, deferred, and active members but that there is a statutory duty for the scheme to correct errors going forward. It is easier to rectify for active members and more challenging for deferred and pensioner members.

7.11 JL suggested that the note could point out that FRAs may wish to take their own legal advice on the recovery of contributions where there is no benefit to the firefighter.

7.12 AM asked if the ruling affected Scotland, Northern Ireland, and Wales, and if so, what decisions are they making on the recovery of past service contributions. MP advised that the TPO determination is specific to that case but that determinations are published for educational reasons to encourage best practice, therefore, although the case related to an English FRA, the

case could inform authorities in the devolved nations to have regard to that decision if they believe there are elements of it which support their policies, decision making, and communication. MP believes that this determination would not influence the note in question because it specific to that case.

7.13 Tony Curry (TC) confirmed that the determination would just be for Lancashire FRS because the devolved nations did not operate DCP stations and most of the eleven DCP areas nationwide determined that this allowance would be pensionable from the outset. These eleven authorities have moved away from DCP now because it was deemed an unlawful shift system. TC believed that Lancashire would have been the last area to operate DCP. MP agreed therefore that the significance of TPO's determination would therefore be even narrower given TC's information to the Board.

7.14 RP suggested issuing the note because the information is correct currently but highlighted that the date of the paper will need updating. The note should make it clear that the information is correct as at the date given on the paper.

7.15 MP asked what the process was for issuing the paper. JL confirmed that this could be provided to the LGA to distribute as necessary.

7.16 CH suggested that the note could be held on the fpsboard.org website and publicised in the monthly FPS bulletin. It would be updated as and when required.

7.17 GM felt that the document would certainly be useful for FRAs because it highlights matters which should be taken into account.

7.18 JL asked for the note to be circulated, once updated, to those Board members who were not present at the meeting and subsequently issued to the sector.

8. Remedy timetabling: [Paper 2](#)

8.1 CH informed the Board that under the PSPJO Act 2022, there is a requirement for every member affected by remedy to be provided with a remediable service statement (RSS) within eighteen months from 1 October

2023. This means that all members should have received a statement by 1 April 2025.

8.2 CH explained that this means there are a significant number of RSSs to be issued in this time and in order for this to happen, the LGA and NPCC have worked together to create a remedy timetable to ensure that all groups of members are covered in the timeframe.

8.3 CH shared some slides which help to explain the reasons for the decisions which have been made in respect of remedy timetabling.

8.4 CH asked the Board members present if they were happy with the proposals for remedy timetabling. NH agreed.

8.5 CH advised that further detail is available in the paper which has been issued to the Board.

8.6 CM asked if the interest rate had been confirmed as eight per cent. CH advised that the interest rates had been set in [the Public Service Pensions \(Exercise of Powers, Compensation and Information\) Directions 2022](#). CH advised that the interest rate for payments from the scheme to the member were set as eight per cent, in certain circumstances.

8.7 JL said that now the interest rate is known, it makes it easier to finalise the remedy timetabling. JL asked the Board if anyone had any other comments. JL also said that for those not attending the meeting, they would be able to view the remedy paper and provide any comments accordingly.

9. Action summary update: [Paper 3](#)

9.1 CH detailed the actions which had been closed and were in progress. CH pointed out that some of the action update had already been dealt with at the beginning of the meeting.

9.2 With regard to action 5.1, 10.12.20, CH informed the Board that EJ had created a central training log for each member to record any training

undertaken or knowledge gained. CH asked members to inform the LGA if they undertake any courses so that they can be recorded.

9.3 With regard to action 5, 4.10.18, CH confirmed that Claire Johnson had reviewed the IQMP guidance and that this was now with the Communications Group for review. Once there is an agreed version, it will be brought to the SAB for review and comment.

9.4 With regard to action 6.3, 11.06.20, this had been discussed earlier in the meeting and Weightmans will return the note to the LGA for distribution.

9.5 With regard to action 6.1, 11.06.20, the LGA has done a comparison of the treatment of temporary contracts of employment with the LGPS. A comparison of Fire and Police regulations will now take place.

9.6 With regard to action 8, 23.06.22, some member details are still missing from the website. This will be followed up with the members concerned to ensure that this is completed.

9.7 Additionally with regard to action 8, 23.06.22, as already mentioned earlier in the meeting, a Local Pension Board effectiveness committee chair is also needed so volunteers would be welcomed.

9.8 CH asked the Board to note the contents of the paper. JL asked if there were any comments. None were raised.

10.2015 Remedy update: Paper 4

10.1 CH summarised the paper on remedy, highlighting that HO had advised the Board of a delay to the consultation which is not due to commence now until February 2023.

10.2 CH said that this means that regulations may not be issued until September 2023 which gives only a month until the implementation date.

10.3 CH advised that the LGA is working with software suppliers and administrators on any pre-work which can be done based on policy positions which are unlikely to change.

- 10.4 CH confirmed that the paper informs the Board that the Directions have been laid which gives schemes various powers to do various things that the Act allows, specifically around interest, compensation, and powers to reduce or waive liabilities.
- 10.5 CH told the Board that a new Firefighter Pensions Advisor will be starting on 20 March 2023 who will focus on communications, including those for remedy. This is a fixed term contract for twelve months which the LGA will be asking the Board to approve as a permanent post at the next budget.
- 10.6 CH highlighted the out-of-scope, now in-scope communications which had been sent out to members in scope for remedy. This was due to the change in understanding that the protections should have applied to the individual rather than to each employment separately.
- 10.7 CH highlighted that the LGA has issued a factsheet on ill-health reassessments and is working with the Cross Whitehall group now on the RSSs to decide what they need to include and what they should look like.
- 10.8 Regarding software, CH confirmed that the LGA is working with NPCC and Bluelight Commercial to analyse the software development proposals and make sure that they are offering value for money. CH confirmed that the LGA is going to invite both Heywood Pension Technologies and Civica to the next SAB meeting in March 2023 so that they can provide a progress update to the Board.
- 10.9 CH also advised that both software suppliers have agreed to deliver a 60-minute update session to pension scheme practitioners. CH highlighted that the paper has information in it on software costs.
- 10.10 CH summarised the remainder of the paper including details of the HMRC calculator being developed which will calculate compensation for Annual Allowance and Lifetime Allowance cases.

11. Response to HMRC consultation (tax regulations): [Paper 5](#)

11.1 CH summarised the paper which had been supplied to the Board, highlighting the key points. The proposed tax regulations are due to come into effect from 6 April 2023 however some provisions will have retrospective effect.

11.2 CH advised that the SAB response expressed disappointment in the delay to the materials coming through which has had a knock-on effect on schemes being able to consult. The regulations do not currently deal with how to proceed with death, divorce, or transfer cases and the response expressed the need for clarity on these areas too.

11.3 JL said that the issue of pension contributions not being rolled back into the legacy scheme had been raised in the consultation response and this had previously been questioned but she was still waiting for a reply from HM Treasury.

11.4 CH pointed out that there are provisions in the Directions for recalculating lump sums which have been paid over twelve months ago as authorised payments. JL raised the issue of the scenario of a member who had paid an unauthorised lump sum tax charge who might now choose a higher pension meaning that the original lump sum was no longer excessive. It is not clear how the member's tax would be repaid by HMT and these sorts of areas need to be clarified.

11.5 CH asked the Board to note the contents of the paper and urged the Board to join the HO engagement session on tax.

12. Any other business and dates for next meetings

12.1 JL asked the Board to note the forthcoming meeting dates for 2023:

- Thursday 23 March 2023 at Smith Square
- Thursday 8 June 2023 by Teams
- Thursday 14 September at Smith Square

- Thursday 14 December by Teams.

12.2 CM asked if a standard item for the SAB meetings could be to look at any relevant TPO determinations which have been made. MP said that Weightmans have a notification service from a publishing company which notifies them of TPO determinations and offered to look for anything of relevance. CH advised that the LGA would also check.

12.3 CH gave an update on the budget. Scheme levy purchase orders are arriving and around half have been received to date.

12.4 CH highlighted a potential issue in that CPI is running at a particularly high level which will have an impact on the annual allowance calculations in terms of revaluation of CARE accounts across most of the public service schemes, excluding Fire. For those schemes who are affected, this may lead to a significant number of their members breaching the annual allowance in this year because of the way the calculation is done.

12.5 CM expanded to explain that when calculating pension growth in a scheme year, HMRC looks at the level of pension at the end of the year at 5 April, and compares that with the amount of pension the member has built up at the start of the tax year. CM confirmed that when HMRC do that calculation, they take the figure at the start of the year and apply inflation to it. Most of the time the inflation figure which HMRC uses is not vastly different to the figure which has been applied to the scheme revaluation. However, there is an issue this year for many public service pension schemes, other than Fire, because the inflation measure which is used to increase the actual scheme benefit will be the 10.1 per cent CPI from September 2022.

12.6 CM said that, in isolation, this is good news for members and the benefits which they have built up; however, when it comes to HMRC doing their calculation, they will increase the start of their calculation figure not by the actual 10.1 per cent that the scheme benefit is increased by but by the CPI figure from the previous September (2021), which is about 3 per cent. There is therefore a significant difference between the two amounts.

12.7 CM explained that this may mean that more members than usual will breach the annual allowance and be liable to an annual allowance tax charge. CM explained that as the Firefighters' Pension Scheme revalues CARE benefits by Earnings, rather than CPI inflation this should be less of an issue for fire. Although CM noted that if Earnings were significantly different to CPI inflation from year to year, similar issues could arise for Fire.

12.8 CM explained that some public service pension schemes are looking to move the date that CARE revaluation applies from 1 April to 6 April each year to alleviate this issue. This would align the scheme increase with the increase that HMRC uses and provide consistency between the two.

12.9 CH explained that although this does not directly affect Fire, the Police Scheme is impacted by the same "CPI disconnect" as many of the other public service pension schemes. If the Police Scheme looks to change the date of revaluation for their Scheme, this may then delay the work that the third-party software suppliers are doing in respect of remedy and system developments for that project. CH asked the Board to note that this may become a risk.

12.10 GM asked if it should be added to the risk register. JL agreed that it could be added as a risk to note.

12.11 CH informed the Board that The Pension Regulator's single code of practice is due to be laid in parliament shortly. It has to lay in parliament for 40 days before it is released.

12.12 CH suggested that any amendments to processes and implications of the new code should be taken through the Local Pension Board effectiveness committee, which is why a chair of that committee is required as soon as possible. CH reiterated the request for a volunteer.

12.13 Finally, CH informed the Board that she would be leaving the LGA in April 2023 to take up a new position. The next meeting in March 2023 would therefore be her last meeting. The Board wished CH well in her new role and

expressed their thanks and appreciation for all the work in the past, particularly in the last year as Senior Pensions Adviser.

ACTION 23.01.23 (12.2): The SAB's Legal Advisor and the LGA to monitor Pensions Ombudsman determinations so that any key determinations relating to FPS are noted accordingly and discussed at SAB meetings.

ACTION 23.01.23 (12.10): Change to revaluation rates for the Police Pension Scheme and the corresponding affect that this may have on the delivery of remedy software by software suppliers to be added to the SAB risk register.



Actions and agreements

23 March 2023

Location: 18 Smith Square London, MS Teams

PRESENT

Joanne Livingstone	SAB Chair
Philip Hayes	Scheme Member Representative (FRSA)
Mark Rowe	Scheme Member Representative (FBU)
Pete Smith	Scheme Member Representative (FBU)
Tony Curry	Scheme Member Representative (FBU)
Glyn Morgan	Scheme Member Representative (FOA)
Des Prichard	Scheme Member Representative (FLA)
Janet Perry	Scheme Employer Representative (LGA)
Cllr Nick Chard	Scheme Employer Representative (LGA)
Cllr Roger Phillips	Scheme Employer Representative (LGA)
Cllr Frank Biederman	Scheme Employer Representative (LGA) – nomination
awaiting approval	
Cllr Nikki Hennessy	Scheme Employer Representative (LGA)
Helen Scargill	Technical Adviser
Craig Moran	First Actuarial
James Allen	First Actuarial
Mark Poulston	Legal Adviser
Cat Ellis	Legal Adviser
Claire Hey	LGA – Board secretariat
Elena Johnson	LGA – Firefighter Pension Advisor (Minutes)
Tara Atkins	LGA- Firefighter Pension Advisor

Joanne Donnelly	LGA – Head of Pensions
Helen Fisher	Home Office
Anthony Mooney	Home Office
Alex Platts	Home Office
Karen Gilchrist	SPPA (observer)
Brian Allan	GAD
Samantha Watts	GAD

1. Introductions, apologies, and conflict of interest

- 1.1 Andrew Scattergood, Cllr Roger Price and Claire Johnson sent their apologies. Roger Hirst was substituted by Janet Perry (JP).
- 1.2 Joanne Livingstone (JL) advised that Cllr Frank Biederman’s (FB) nomination is still to be approved by the Secretary of State.
- 1.3 JL welcomed Tara Atkins (TA) who has joined the LGA as a Firefighter Pension Advisor – Communications. JL also welcomed Joanne Donnelly, Head of Pensions for the LGA, Cat Ellis, Legal Adviser from Weightmans and Alex Platts from the Home Office.
- 1.4 JL welcomed Mark Poulston (MP) who replaces Jane Marshall from Weightmans as Legal Advisor to the SAB.
- 1.5 JL reminded members of the Board to declare if any new conflict has arisen. It was confirmed that there is no requirement for forms to be completed. No conflicts were declared.

2. Actions arising (23 January 2023) and Chair’s update

- 2.1 JL asked if there were any comments on the minutes from the meeting of 23 January 2023. Helen Scargill (HS) asked if the minutes of 23 January 2023 under 2.2 could reflect that the 25 added pension contracts recorded at WYPF could have *23 FRAs that they administer* added to the minutes. There were no further comments on the minutes.

- 2.2 JL informed the SAB that she had visited Bedfordshire fire station and would like to visit more stations as the visit was useful. She noted that they depend on local government resources and would like as much centralisation as possible, for example regional networks.
- 2.3 JL said that a chair for the Local Pension Board Effectiveness committee is required as soon as possible.
- 2.4 JL shared that she had attended the Fire Conference which enabled her to learn more about the fire services and to network with people in the sector. JL felt that it was disappointing that pensions was not specifically on the agenda at the conference and was unable to raise a question with the Fire Minister at the event. JL has however submitted a question in writing to him post-conference.
- 2.5 JL said that she had hoped that information on the SCAPE rate consultation would have been available for the meeting, but it is not yet and so will be carried forward to the next meeting. Additionally, it is hoped that software suppliers will be able to attend the next meeting now that the retrospective remedy consultation has been launched.
- 2.6 JL advised that the meeting time slot was longer so that the retrospective remedy consultation could be discussed.
- 2.7 JL informed the Board that The Pensions Ombudsman has contacted chairs of the SAB with an invitation to meet them. JL has supplied available dates and is waiting to hear back from them.
- 2.8 JL confirmed that she had spoken to Julia Mulligan who is the chair of the Police SAB and they have agreed to share consultation responses.
- 2.9 JL asked the board if there were any questions. Des Prichard (DP) said that JL's visit to Bedfordshire had been very positively received and suggested that she could write to local pension boards to see if they too would like a visit from a member of the SAB. JL agreed that this would be useful especially with The Pension Regulator having oversight and they will have the

responsibility of ensuring that scheme managers are dealing adequately with the regulations. Developing regional networks could be useful for local pension boards. Cllr Nikki Hennessy (NH) said that she would support a regional approach.

2.10 Cllr Frank Biederman (FB) confirmed that he would endeavour to ensure that pensions is included at the Fire Conference. JL advised that she had been able to raise pensions in the questions and answers after the finance presentation which Mark Hemming had delivered at the conference.

ACTION: 23.03.2023 (2.9): SAB to contact local pension boards to ask if they would like a SAB member to attend their pension board and SAB to consider the setting up of regional networks for local pension boards.

3. Home Office update

3.1 Helen Fisher (HF) provided the Home Office update for the board. Alex Platts (AP) had introduced himself but was unable to stay for the full meeting.

3.2 HF advised that the Home Office has launched the retrospective remedy consultation which will run for twelve weeks from 28 February 2023 to 23 May 2023. The consultation asks for feedback on the questions set from the fire sector and they would like to hear views about the proposed policies and processes. The Home Office aims to issue its response to the consultation before the summer recess.

3.3 HF said that the Matthews consultation is due to be launched during the week commencing 27 March or 3 April 2023 and will run either to 5 June or 12 June 2023. It is intended to be a ten-week consultation.

3.4 HF gave an update on the spring budget, confirming that the annual allowance has increased from 6 April 2023 to £60,000. The lifetime allowance has been abolished from 6 April 2023.

3.5 JL asked if there would be an engagement session for the Matthews consultation once it had been launched. HF confirmed that this would be possible.

- 3.6 JL asked when any gaps in the draft regulations would be updated. HF said that the draft statutory instrument would not be updated until the consultation had finished, and the final statutory instrument would then be available.
- 3.7 JL pointed out that there are differences between what is being quoted in the consultation document and what is written in the statutory instrument. JL also pointed out that some tax consultation details are also missing at this stage.
- 3.8 HF confirmed that the Home Office is unable to legislate for every process as the regulations just give powers to act. Processes can be put in place for the part which is missing in the middle. The processes can be set up separately.
- 3.9 Claire Hey (CH) felt that there is a disconnect between the policy intent and what is in the draft regulations? Anthony Mooney (AM) said that he was aware that there were some issues with the ill health part of the legislation which the Home Office is looking at.
- 3.10 JL raised concern about meeting the 1 October deadline and said that the consultation should be updated so that it is clear to those responding to the consultation what the legislation should/will actually say.
- 3.11 James Allen (JA) asked when the SCAPE rate will be announced and if there is a final date for adjusting contribution rates. HF said that they are pressing central government on this matter. CH asked if contribution rate changes could be deferred to 2025. HF was unsure.
- 3.12 Janet Perry (JP) asked what the current situation is for immediate detriment in relation to tax and annual allowance. HF confirmed that it was clear in the tax rules that immediate detriment cases were excluded from the remedy legislation being brought forth and that the government had always said there would be unintended consequences for these cases. The rules which apply to immediate detriment cases are the current rules.
- 3.13 JP raised concern that people affected by immediate detriment could argue that they would have done things differently had they known the consequences. HF confirmed that members were warned of the

consequences of retiring under immediate detriment at the time. AM added that they are unable to change the tax rules just for immediate detriment bespoke cases.

3.14 JL suggested that Essex look at the cost implications for their fire service on immediate detriment. JP confirmed she would obtain the figures.

3.15 Helen Scargill (HS) said that immediate detriment cases may not be impacted where annual allowance and lifetime allowance is concerned due to the fact that the years in question will be the same years as the legislation says, which is the current year and four previous years. It may however impact on unauthorised payments as they may not be able to be reimbursed for those.

4. SPPA Update

4.1 Karen Gilchrist (KG) gave an update on behalf of SPPA. The draft regulations and consultation on retrospective remedy will be issued at the end of April. The deadline for responses would be the end of June 2023. The statutory instrument will be laid in August/early September.

4.2 KG said that the Matthews exercise will create issues in obtaining the relevant data. SPPA have spreadsheets showing firefighters' start dates but the Scottish FRAs are finding it difficult identifying those who are eligible for the second options exercise.

4.3 JL asked if the consultation would provide a solution for the shortage of data. AM confirmed that there would be assumptions contained within the legislation to use where data is missing. Joanne Donnelly (JD) advised that the LGPS SAB had created guidance which could be used where assumptions are needed concerning remedy data.

5. LGA general update: Paper 1

- 5.1 CH summarised the paper for the SAB stating that a request for approval for resourcing will be submitted in the next budget. JL said that she recognised that there were difficulties in staffing resources and is keen to look at resource and whatever can be done to help.
- 5.2 CH advised that the hearing regarding the Matthews Part-time Workers claims had been vacated on 20 April 2023. Discussions in the meeting have to be limited due to on-going litigation. No comments are able to be made by the FBU.
- 5.3 In relation to the re-engagement policy in paper one, JL asked if this is something which the Board should consider taking forward. CH suggested inviting a representative from the NFCC to the next meeting.
- 5.4 HS suggested that if this affects sustainability and cost of the scheme then the SAB may wish to be involved.
- 5.5 CH confirmed that the police SAB had approved a similar policy. Cllr Nick Chard (NC) felt that the Board would need further details in order to make a decision. JL suggested that if pensions is driving member behaviours, then it could be justified in the remit of the SAB.
- 5.6 DP felt that it is not an automatic entitlement to be re-engaged. If the government amend the guidance, then each FRA could decide whether to adopt it as a fire authority. It could mean that an employing authority puts in place a policy with the onus on the employer to do so.
- 5.7 Cllr Roger Phillips (RP) said that if the policy was implemented then firefighters would use it and retire.
- 5.8 CM asked if the Board felt that it was an issue for fire and if the cost has been quantified. If not is this something which GAD could assist with? Brian Allan (BA) asked if introducing this would alter member behaviours. CM felt that if it was introduced then it would need to be introduced for all and not just senior officers.

5.9 HS felt that the issue stemmed in part from the current retirement adjustment factors. .

5.10 Tara Atkins (TA) advised that the police sector had done this as a recruitment drive as members of the police scheme were retiring at 30 years. To retain their knowledge the policy was introduced. She felt that in fire there was no evidence that FPS was losing experienced firefighters however the effect of remedy may have changed behaviour.

5.11 Mark Rowe (MR) felt that the Board would need to be provided with further information from the NFCC on the draft policy before an invite is given to them to attend a SAB meeting.

5.12 HS said that the recent pay award agreements may encourage people to stay beyond their 30 year and age 55 date. This may mitigate the issue which was there when this draft policy started being proposed.

5.13 JL felt that the SAB would need to see the policy and consider any cost implications. CH said that the Home Office would need to see evidence to put this proposal forward.

ACTION 23.03.2023 (5.11) : LGA to request a copy of the draft re-engagement policy from NFCC for SAB.

6. First Actuarial Update

6.1 CM advised that the annual allowance had risen from £40,000 to £60,000 from 6 April 2023. He advised that the lifetime allowance was currently £1,073,100 and that those people affected would be estimated to need an annual pension of £55,000 to be affected by this.

6.2 As a result of the spring budget the lifetime allowance charge has been reduced to nil from 6 April 2023 and from 6 April 2024 the lifetime allowance would be abolished. Those affected by the change to the annual and lifetime allowances are the higher earners and those who have been promoted. The tax-free lump sum has been capped at £268,275.

- 6.3 CM advised that, previously, legacy and reformed scheme annual allowance pension input amounts had been calculated separately so any negative growth could not have been offset against any positive growth. From 6 April 2023 the negative amounts from both legacy and reformed schemes can be combined to offset the pension growth.
- 6.4 CH indicated that The Labour Party have indicated that they will reinstate the lifetime allowance if they are re-elected, with a targeted solution for NHS doctors. This had raised concern at the Fire Finance Network meeting about the retention of senior officers following this announcement. CH said that there had been a suggestion at that meeting that there may be a need to write to government to try and ensure stability concerning the lifetime allowance.
- 6.5 JL said that she did not feel that this taxation policy issue was within the SAB remit.
- 6.6 JP indicated that this had been discussed with the PCC and PFCC with the view being that this would not be a quick reversal of the decision to abolish the lifetime allowance and if it was reversed there would be time for the people affected to apply for lifetime allowance protection. JP highlighted that the lump sum cap is still there.
- 6.7 DP said that junior staff could be affected by the £60,000 annual allowance by promotion because 1992 double accrual increases the benefits and therefore it was not always the higher paid who are affected.
- 6.8 HS advised that WYPF have had a case where someone has moved their retirement date to 10 April 2023 to benefit from the changes to the lifetime allowance. Previously the excess lump sum would have been taxed at 55 per cent but this would now be taxed at the member's marginal tax rate.
- 6.9 JL said that members had the option to seek financial advice and that SAB did not have a role in this. JP said that she had concern for those people who had retired just before April 2023.

7. 2020 valuation (GAD)

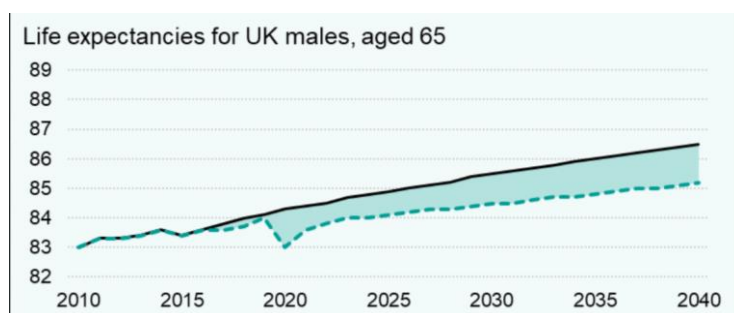
- 7.1 BA provided a recap on the valuation and timetabling. He confirmed that the data collection stage has been completed and the analysis stage is also done. The last stage will be to provide assumptions advice and then generate the valuation results.
- 7.2 BA advised that the HMT Directions inform on how valuations are undertaken. Some assumptions are set by the Home Office, and some are set by the Home Secretary. GAD had previously engaged with SAB board members through the Cost Effectiveness committee in June 2022 on the proposed key assumptions. GAD has not yet completed the assumptions advice to the Home Office. Once this has been done, the Home Office will then consult with the SAB. This is expected to be around June 2023 when an assumptions and directions paper will be ready to share.
- 7.3 BA said that the valuation results may be able to be shared in the SAB's September meeting. BA asked for views on how this would best work for the June meeting.
- 7.4 CM asked if the SAB will be able to comment on the data report from GAD. BA confirmed that the Home Office will share the data report and assumptions report as part of the consultation process. CM pointed out that last time the data report highlighted that some FRAs had submitted poor data and the SAB had taken an action to liaise with those FRAs as a consequence, therefore the data report would be something which the SAB would be interested in seeing this time round.
- 7.5 CM asked if GAD were expecting to see a fall in life expectancy following these valuations. BA confirmed that GAD had looked at life expectancy and the recent ONS had indicated that life expectancy was not increasing as much as previously which would be a downward pressure on costs.

7.6 BA said that the Home Secretary will also look at death rates which will be based on the current pattern and projections of the UK population.

7.7 JL asked if the data report could be shared ahead of the meeting in June. CM said that the data report was available first last time around. BA said that he would discuss with government colleagues as to whether this could be shared earlier.

7.8 DP highlighted a report on the impact of covid on life expectancy and asked if GAD would be looking at mortality in relation to firefighters specifically. BA confirmed that scheme experience is looked at for the firefighters' pension scheme and will be for the 2020 valuation with previous mortality rates analysed. Future projections are based on the ONS which are based on general national experience. With regards to covid, there is some coverage within the ONS surveys which cover the pandemic period but not all of this information is in the recent projections that ONS has released. BA advised that the long-term picture regarding for example, long covid is unclear.

7.9 JP said that her understanding was that lifetime expectations had been adjusted for covid and was showing a downward trend. BA said that he broadly agreed but did not believe that future rates had been adjusted for the impact of the pandemic. Samantha Watts (SW) advised that in the ONS projections, over five-year periods there were periods where improvements in life expectancy have increased. SW shared a chart with the board to show the projected trend for life expectancy:



7.10 JA asked if the SAB could see a draft assumptions report before June. HF advised that the draft assumptions report will be shared before June.

ACTION: 23.03.2023 (7.7): GAD to confirm if the data report can be shared earlier than the June 2023 SAB meeting

ACTION: 23.03.2023 (7.10): Home Office to share draft assumptions report before June 2023 SAB meeting

8. Matthews update (GAD)

8.1 BA gave the board an overview of the data which had been collected via the LGA from FRAs to prepare for the Matthews project.

8.2 In summer 2022 a data request went out and 34 of 44 FRAs responded. GAD then prepared an additional data request in autumn 2022 for sixteen of those FRAs which included FRAs in both rural and metropolitan areas whose data was most complete, to get a more detailed picture of those people in scope for the Matthews second options exercise.

8.3 BA said that the supporting comments which came back from FRAs highlighted the level of challenge facing FRAs. BA said that he appreciated the help of the FRAs involved.

8.4 BA said that the results showed that although there was service back to the 1960s, on average most people started around the early 1990s. Additionally the results showed that there is a large group of people who have never joined any part of any firefighters' pension scheme at all.

8.5 DP said that it would be helpful to know how many non-members are still employed by the fire and rescue authority. BA said that this information was currently not available.

8.6 NC asked how many people are in the scheme. BA said that it is thousands.

8.7 BA went through the salary data on his slides which had been reported back by FRAs. Data which is most complete does not span back very far at all. The further back that time goes the less data is available from FRAs.

8.8 BA confirmed that there were potentially 18,000 eligible individuals. CM asked if these were all members of the scheme and eligible members. BA

confirmed that the 18,000 was the total number of eligible firefighters combined with members of the scheme.

8.9 JL asked how many people data was not available for. BA confirmed that the results indicated that 75 per cent had some form of data missing.

8.10 NC indicated concern for the firefighters whose data is unavailable rather than concentrating on the global picture. JL also expressed concern about contacting eligible members whose addresses may not be up to date.

8.11 AM said that the only cohort where addresses may not be known will be cohort one which is those people with service between 7 April 2000 to 30 June 2000. HF confirmed that the consultation includes provisions for where data is missing so that the data can be rebuilt.

8.12 AM added that if a firefighter can evidence their service dates then that evidence can be looked it.

8.13 DP said that 32 fire authorities became CFAs before 2000 and that he felt they would have the data. He felt that the County Council fire authorities would have data in different places which could cause issues. NC was not sure that was the case.

8.14 AM confirmed that if the CFAs have the data then they must use that data.

8.15 CH advised the Board that attending the Matthews Technical Working Group is possible for SAB members. They would be able to provide oversight to the project and that may also answer any questions which the Board may have going forward.

8.16 BA explained the GAD calculator for the Board and how it has been improved since the first options exercise. BA explained that there is the option outside the scope of the work which Home Office are paying for to create a benefit calculator within the main calculator so that fire authorities can tell a potential member what benefits they will be purchasing.

- 8.17 JL pointed out that in the first options exercise only fifteen per cent of eligible members took up the opportunity to buy the extra pension and this may have been because the benefits they would be entitled to as a result were not communicated to them. JL asked the Home Office why the addition of a benefit calculator would not be classed as a critical element of the project.
- 8.18 AM said that the Home Office felt that the benefit calculator would fall within the administrators remit and was therefore not critical however if the LGA and SAB wanted to arrange funding for this then it could be incorporated.
- 8.19 JL said that she felt this was essential to give potential members a full picture of their benefits and that it should be within the Home Office's scope to finance. JL also indicated that SAB had not seen the estimated costs for this additional element of the calculator. HF confirmed that they have discussed this and their view is that it does not form part of the fundamental make-up of the calculator. HF confirmed that the calculator for the second options exercise goes further than it has done in the first options exercise.
- 8.20 JL asked for views from SAB. HS said that she felt it was needed for the FRAs so that firefighters can make an informed decision so that they know how much it would cost and what they would get in return. It would also mean that the data would feed out of the same calculator so there would be no copying or trying to replicate data. An output document could then be provided. Therefore, she felt that if the Home Office is not funding the benefit calculator, then it will need to be provided another way.
- 8.21 NC also felt that currently the calculator would only give the firefighter half of the information they need to make an informed decision.
- 8.22 Tara Atkins (TA) pointed out that not all FRAs have the expertise to work out what the benefits would be and therefore a centralised approach would be needed. JL agreed.
- 8.23 Cat Ellis (CE) also felt that the calculator is necessary for a person to make an informed choice otherwise they will seek advice elsewhere.

8.24 AM re-iterated that the Home Office see this element as an administrative function. HF confirmed that as a defined benefit scheme a member will always get more out from the scheme than they paid in.

8.25 SW pointed out that the member will not be using the calculator. It is only going to be used internally by FRAs or administrators. SW confirmed that the reason why the Home Office funds the contribution element of the calculator is because it is a much more complex and intricate calculation.

8.26 JL concluded to say that the SAB await the costs for this additional element of the calculator so that they can be considered in terms of the SAB budget.

9. Home Office retrospective remedy consultation: [Presentation](#)

9.1 CH went through a series of informative slides for the SAB which detailed the Home Office retrospective remedy consultation.

9.2 CH advised that clarification had been sought from the Home Office about question one on eligibility. The Home Office has said that the question has been poorly worded, and they will look to clarify what the question means. JL asked who they would be providing clarity to as providing clarity only to those who ask does not help in the consultation process.

9.3 CE said that she thought they would only respond to those who had asked the question. Mark Poulston added that in tendering processes, the questions which are asked are visible to the other people involved in that process so that everyone is fully aware of those questions and answers.

9.4 JL pointed out that there are many references in the draft legislation to the need for a scheme manager to refer cases to the actuary. She asked BA what processes will be in place because actuaries will be very busy if this affects all public service pension schemes. BA said that he expected that there will be a raft of overriding guidance to assist in the processes which need to happen.

9.5 HS asked if it would be helpful to pick out all the references to where a scheme actuary calculation is needed and determine whether this should be

guidance or actual referral to a scheme actuary. CH agreed that this could be taken forward as an action for the communications group.

9.6 CH also advised the Board that the Home Office had been working on a list of areas which specifically gave the scheme manager a power to make a decision but that this work had stalled. CE said that it was important that the correct decision-making process is followed and that when decisions are taken by scheme managers that all relevant information is taken into account. CE highlighted that the consultation talks about a proper investigation needing to be done so that a decision can be made and agreed that guidance would be needed for scheme managers on this.

9.7 HS felt that in cases where the member has not made their decision, FRAs would have the option of visiting the person concerned to talk through their decision with them and this may therefore negate the need for a scheme manager deemed decision in most cases.

9.8 MP said that there is a process to follow in exercising discretionary powers and it is one of the most common sources of challenge and complaint, including to The Pensions Ombudsman. The more discretionary powers which are conferred on a body, the greater the risk that something will go wrong.

9.9 Regarding the deferred choice provision Mark Rowe (MR) felt that the six-to-twelve-month period under which a member needs to tell their scheme manager of their intention to retire is too long. JL pointed out that there is a scheme manager discretion to accept a different period but that it would be better to have a more reasonable timeframe written into the legislation.

9.10 NC asked who makes the decision if a member dies before they can. CH confirmed that there is a Schedule which lists those who can make this decision.

9.11 JL felt that in some cases twelve weeks to make a decision on an RSS could be too short. CM added that this could be the case if a spouse was dealing with the estate of a member.

9.12 Regarding the timing of the DCU-RSS, CH asked if four months in line with the commutation election period in the 1992 scheme would be a more reasonable timeframe to use. This was suggested at an earlier collaboration session. HS felt this was reasonable and a member who provides their intention to retire later than that timeframe may just find that the benefits could be paid later than the due date. The FBU representatives indicated that a four-month period would be supported.

9.13 Regarding transfers not being rolled back from 1 October 2023, HS asked what would be shown on the RSS. CH indicated that this is something which could be questioned in the consultation response. HS felt that the rollback position should be shown and would comprise of the compensation payable if the transfer could not be rolled back to the legacy scheme.

9.14 MR asked what the compensatory payment would be. CH confirmed that it would be in the form of a pension and lump sum.

9.15 CM asked why the consultation refers to the amounts as contributions. HS said that this enables the Home Office to treat the transfer in the way that they intend to treat it by labelling it so.

9.16 Regarding refunding added pension contributions, HS advised that members who paid the contributions by lump sum could have paid a cheque and may not have pursued tax relief. In those cases, should they get the gross contribution returned to them instead?

9.17 CM pointed out that the Home Office are taking different approaches to added pension and transfers. The transfers are being kept in the 2015 scheme whilst the added pension is being refunded. Members of the 2006 scheme may choose 2015 scheme benefits at DCU. HS said that a member could apply to buy added years under the 2006 scheme under a contingent decision. CM pointed out that a member may have been better off in the 2015 scheme though.

9.18 Regarding contributions, CH went through the policy intent. JL pointed out that the policy intent has not been adequately translated into the regulations.

9.19 CM felt that the policy is member friendly as members are not being asked to pay a large amount up front although being able to settle at any point may be an administrative burden.

9.20 JL felt that the tax treatment on contributions wasn't clear and there are no specified processes or procedures in the draft regulations. HS understood that the contributions calculator would work out the tax relief which could be adjusted from 20 per cent to 40 per cent depending on the member's circumstances. This would be held on the member record and updated with interest each April for the RSS. If the member chose to repay the contributions in that year it means that the amount is fixed at that rate and if the member repays at retirement, then the amount is deducted from the lump sum. If the payment is made through the payroll system with the pension payments, then it would need to be made as a non-tax relievable payment as tax relief has already been applied.

9.21 CH asked if the Board felt that provision needed to be made in the regulations for contribution holidays. HS felt that the adjustment was described in the existing instructions for paying amounts to members plus interest.

9.22 In respect of contingent decisions, MR said that guidance on the evidence that would be accepted for opt outs would be useful. CH said that the Home Office had specified the following: where a member has indicated this on their opt out form, where the person was a claimant in the injury to feelings claims and CE added that the consultation also specifies a complaint letter confirming the opt out will follow if the reforms are implemented.

9.23 GM supported the need for guidance to aid decision-making.

9.24 Regarding how to make members aware that they can claim a contingent decision, HS felt that this should be a communication piece but that the fire pensions sector should not be seen to be actively encouraging claims to be made. HS suggested referencing contingent decisions in each RSS so that every cohort of member is aware that the facility is there.

9.25 CH asked the board how they would like to take this forward. NH suggested a Teams meeting. HS suggested preparing an initial draft and then going through that for further responses. JL felt that it would be useful to have a draft, discuss the technicalities and have legal input from the legal advisers. A meeting could then take place to discuss the draft.

9.26 DP felt that this agenda item had been too technical for SAB. JL agreed but felt that the SAB would put through a slightly different response to the LGA response accordingly.

9.27 NC felt that the technical aspect was helpful and a draft response to look could be circulated with the technical aspects finalised later.

ACTION: 23.03.2023 (9.5): LGA to identify areas in the draft regulations where there is reference to the need for a scheme actuary to calculate a case.

ACTION: 23.03.2023 (9.25): Consultation response to be drafted for review by SAB before final version is compiled.

10. AOB and date of the next meeting

10.1 It was agreed that the action summary paper would be taken forward to the next meeting due to time constraints.

10.2 JL thanked CH for all her hard work with SAB and wished her good luck in her new role.

10.3 The date of the next meeting is 8 June 2023 on MS Teams.



OFFICIAL

West Yorkshire Pension Fund - Key Performance Indicators

Local Pension Board

Date: 4 August 2023

Agenda Item:

14

Submitted By: Chief Employment Services Officer

Purpose	To inform Members of West Yorkshire Pension Fund's performance in key areas for the periods 1 July 2022 to 31 December 2022.
Recommendations	That the report is noted.
Summary	This report informs Members of the Authority's key areas against which West Yorkshire Pension Fund measure their level of service.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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Background papers open to inspection: None

Annexes: None

1 Introduction

1.1 The KPI report presents performance data from West Yorkshire Pension Fund in several key areas. Some of the areas included are as follows:

- Transfer in and out quotes
- Divorce quotes
- Pension estimates
- Deferred benefit set up
- Retirement quotes
- Retirement actuals
- Payroll changes
- Death notifications

2 Information

Case Type	Total Cases	Target Days	Target Met	Minimum Target Percent	Target Met Percent
Age 55 Increase to Pension	16	20	16	85	100.00%
Change of Address	31	20	30	85	96.77%
Change of Bank Details	20	20	20	85	100.00%
Death Grant to Set Up	2	10	1	85	50.00%
Death in Retirement	41	10	20	85	48.78%
Deferred Benefits Into Payment Quote	1	35	1	85	100.00%
Deferred Benefits Into Payment/Payment of Lump Sum	5	3	5	85	100.00%
Deferred Benefits Set Up on Leaving	12	20	11	85	91.67%
Dependant Pension To Set Up	26	10	26	100	100.00%
Divorce Quote	1	40	1	85	100.00%
Divorce Settlement/Pension Sharing order Implemented	5	80	5	100	100.00%
General Payroll Changes	118	20	118	85	100.00%
Initial letter Death in Retirement	33	10	32	85	96.97%
Initial Letter Death in Service	1	10	1	85	100.00%
Injury Review	2	20	2	100	100.00%
NI adjustment to Pension at State Pension Age	29	20	29	85	100.00%
Pension Estimate	57	10	52	90	91.23%
Pension Set Up/Payment of Lump Sum	15	3	15	85	100.00%
Retirement Actual	15	10	15	90	100.00%
Set Up New Spouse Pension	26	5	26	85	100.00%
Transfer In Actual	1	35	1	85	100.00%
Transfer In Quote	4	35	4	85	100.00%
Transfer Out Quote Fire	2	35	2	85	100.00%
Update Member Details	35	20	33	100	94.29%

- 2.1 WYPF were unable to provide statistics for Average Time Taken for each case due to staff absence.
- 2.2 WYPF have stated in their monthly updates that the reason for the missed KPI for Death in Retirement cases was a high volume of work on the team.
- 2.3 WYPF have stated that the reason for the missed KPI for death grant was due to one case where they had to wait for WYFRS to confirm who this should be paid to.

3 Financial Implications

- 3.1 There are no financial implications arising directly from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority’s Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Continuously improve using digital and data platforms to innovate and work smarter.

10 Conclusions

- 10.1 This report is for information only



OFFICIAL

Firefighters' Pensions Bulletins 65-70

Local Pension Board

Date: 4 August 2023

Agenda Item:

15

Submitted By: Chief Employment Services Officer

Purpose	To inform Members of the contents of the bulletins published since the last Local Pension Board meeting.
Recommendations	That the report is noted and any actions arising from the bulletins are acted upon (where appropriate).
Summary	Included in this report are the actions arising from each bulletin and an update of the status of the actions.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 The Local Government Association (LGA) produces a monthly bulletin which provides pension practitioners with updates on various pension related issues.
- 1.2 The bulletins are sent to Administrators, Scheme Managers, FRA pension contacts and LPB chairs as a matter of course.
- 1.3 There is an expectation of Members to scrutinise each bulletin and seek assurance from the Scheme Manager that all actions arising have been identified and acted upon.

2 Information

- 2.1 [FPS Bulletin 65 – January 2023](#) contained the following actions:

Action	FRA/Administrator	Status
FRAs to identify affected members of the pension scheme who may need to be sent for an ill-health reassessment and arrange for the appropriate member consent letter to be sent to them.	FRA	In progress
FRAs to provide a valid purchase order number, stating the number of employees eligible to join one of the Firefighters' Pension Schemes as of 1 April 2022, using the form provided with the SAB 2022-23 levy letter.	FRA	Complete

- 2.2 [FPS Bulletin 66 – February 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Data collection for the 2015 remedy: FRAs to ensure that the data collection template is completed and sent to administrators so that administrators and FRAs are prepared for the implementation of remedy from 1 October 2023	FRA	Complete
Pension scheme migration: Migrate to the Managing Pension Schemes service as soon as possible.	FRA	Complete
The Bereavement benefits	Administrator	Complete

remedial order 2022: FRAs and administrators to share this information in communications with pensioners.		
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2.3 [FPS Bulletin 67 – March 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Consultation on the Firefighters' Pension Scheme (Remediable Service) Regulations 2023: All interested parties are encouraged to respond to the consultation by the deadline of 23 May 2023.	FRA/Administrator	Complete
Top up grant 2023 – Collection of pensions accounting data: FRAs to start preparing their pensions income/expenditure data in order to submit their returns by the Home Office deadline	FRA	Complete
Spring budget 2023: FRAs and administrators to share this information with the relevant parties within their organisation.	FRA/Administrator	Complete
DWP announces delays to dashboard connection deadlines: FRAs and administrators to make sure that relevant parties within their organisation are aware of the announcement and TPR's actions.	FRA/Administrator	Complete

2.4 [FPS Bulletin 68 – April 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Consultation on the Firefighters' Pension Scheme (Remediable Service) Regulations 2023: All interested parties are encouraged to respond to the consultation by the deadline of 23 May 2023.	FRA/Administrator	Complete
Consultation on Retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006:	FRA/Administrator	Complete

All interested parties are encouraged to respond to the consultation by the deadline of 9 June 2023.		
SCAPE Discount Rate Methodology Consultation Response: The CETV technical note was suspended on 30 March 2023. All CETV's, Pensioner cash equivalents and non-club transfers-in should be suspended until the revised technical note is published.	Administrator	Complete
Fire England – Commutation on retirement factors and guidance updated: The new factors are effective from 3 April 2023. Please ensure that you are using the revised factors for any retirements after this date.	Administrator	Complete
Secondary Contracts – FRAs may wish to review their contracts to ensure that a secondary contract has been awarded correctly.	FRA	Complete
A Matthews poster has been published under the Second options exercise – Resources on the Special members of FPS 2006 page: FRA's will need to personalise the poster and publicise the second options exercise at their fire authority and fire stations.	FRA	Complete
Bluelight Inbox Technical Queries - As covered in Bulletin 58 – June 2022, please can we remind you to complete the query form for all technical queries that are sent to the Bluelight inbox	FRA/Administrator	Complete
Generic text for estimate/retirement letters: FRAs to consider including within their estimates and/or retirement	FRA	Complete

letters to members		
Request for contact details: FRAs and administrators are reminded to include a request to members to keep them updated of any change of contact details in correspondence which is issued to them.	FRA	Complete
Annual Allowance – Impact of the backdated pay award: FRA's and administrators to consider the factsheet when determining their calculations for Annual Allowance where a backdated pay award has occurred.	FRA	Complete

2.5 [FPS Bulletin 69 – May 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Consultation on the Firefighters' Pension Schemes (Remediable Service) Regulations 2023: FRAs and administrators should familiarise themselves with the response, ahead of the Home Office's response to the consultation.	FRA/Administrator	Complete
The Pension Regulator data requirements – 2023 scheme return: FRAs and administrators to review the data scoring guidance for 2023 ahead of the scheme return.	FRA/Administrator	In progress
Ill health re-assessment IQMP template referral letters available: FRAs should send these and the relevant accompanying documentation to the IQMP using the relevant IQMP template referral letter.	FRA	In progress
Government Actuaries Department (GAD) - updated factors: FRAs and Administrators to ensure that they are using the correct factors.	FRA/Administrator	Complete

Data Conference Slides: FRAs to view the slides and consider data more strategically now and in the future	FRA	Complete
Age Discrimination remedy – data sharing: Administrators to share pensionable data for members who are subject to age discrimination remedy and have had an inter-brigade transfer during the remedy period with the current FRA’s administrator on request. To review your privacy notice and add some additional wording, where relevant. Any amendments should be approved as per your internal processes	FRA	Complete
Automatic enrolment – Call for evidence: FRAs to be aware of this call for evidence.	FRA	Complete
The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No. 2) Regulations 2023: Interested parties to review the consultation and establish whether you wish to respond to the consultation by 19 June 2023. Also, consider whether you wish to be part of the round table sessions.	FRA	Complete
SAB response to the Consultation on the Firefighters’ Pension Schemes (Remediable Service) Regulations 2023: FRAs and administrators should familiarise themselves with the response, ahead of the Home Office’s response to the consultation.	FRA/Administrator	Complete
SAB Guidance Note on Pensionable Pay Remedies: FRAs to refer to the pensionable pay note when dealing with cases where elements of pay need retrospectively adjusting.	FRA	Complete
HMRC Remedy Newsletter: Administrators and FRAs to consider whether you wish to	FRA	Complete

volunteer to assist HMRC.		
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2.6 [FPS Bulletin 70 – June 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Consultation on the retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006: FRAs and administrators to familiarise themselves with the LGA's response, for information ahead of the Home Office's response to the consultation.	FRA/Administrator	Complete
Consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No.2) Regulations 2023: FRAs and administrators to familiarise themselves with the LGA's response, for information ahead of the HMRC's response to the consultation.	FRA/Administrator	Complete
Data Collection for 2015 remedy: FRAs to ensure that the data collection template is completed and sent to administrators by their set deadlines, so that they are prepared for the implementation of remedy from 1 October 2023.	FRA	Complete
Firefighters Pay Scales: FRAs to make themselves familiar with the pay scales available ahead of the Special members FPS 2006 (Matthews) remedy exercise to commence in October 2023.	FRA	Complete
Home Office collection of FPS forecasts for 2023-24 to 2028-29: FRAs should start preparing to collate the necessary information (which is similar to that provided last year) from your records so that FRAs are well prepared, bearing in mind that some staff will be on summer leave.	FRA	Complete

<p>Consultation on the retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006: FRAs and administrators to familiarise themselves with the SAB's response, for information ahead of the Home Office's response to the consultation.</p>	<p>FRA</p>	<p>Complete</p>
<p>Consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No.2) Regulations 2023: FRAs and administrators to familiarise themselves with the SAB's response, for information ahead of the HMRC's response to the consultation.</p>	<p>FRA/Administrator</p>	<p>Complete</p>
<p>Added Years Factsheet: FRAs and Administrators to ensure they are using the updated version on their websites</p>	<p>FRA/Administrator</p>	<p>Complete</p>
<p>Government Actuary's Department (GAD): Data Projects and Long-Term Strategy: FRAs are advised to read GAD's write up of the event and their broader focus on data.</p>	<p>FRA</p>	<p>Complete</p>
<p>Remedy readiness self-assessment tool: Scheme managers to complete the self-assessment tool and report back to their senior teams and local pensions boards.</p>	<p>FRA</p>	<p>In progress</p>
<p>Data Conference Q and As: Pension Dashboards: FRAs and administrators may wish to review the Q and As for information.</p>	<p>FRA/Administrator</p>	<p>Complete</p>
<p>Remedy member examples by GAD: FRAs and administrators should read these with reference to slide 15 from the coffee morning of 26 January 2023.</p>	<p>FRA/Administrator</p>	<p>Complete</p>

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.

10 Conclusions

10.1 This report is for information only