

Warwickshire Fire and Rescue Local Pension Board of the Firefighters' Pension Scheme

Monday 23 September 2024

Minutes

Attendance

Committee Members

Martin Reohorn (Chair)
Councillor Andy Jenns
Caroline Jones
Paul Morley
David Vazquez

Officers

Nichola Vine, Head of Legal and Governance
Lisa Eglesfield, Pensions Administration Service Manager
Steve Robbins, Head of Finance Transformation and Transactions
Alistair Wickens, Technical Specialist Pensions Fund Policy and Governance
Andy Carswell, Democratic Services Officer

Others Present

Helen Scargill (Client Relationship Manager, West Yorkshire Pension Fund)

1. General

(1) Apologies

Apologies were received from Sally Waldron.

(2) Board Members' Disclosures of Interest

There were none.

(3) Public Minutes of the Previous Meeting

The minutes of the meeting held on 17 June 2024 were approved as an accurate record.

2. Fire Pensions Administration Update

The item was introduced by Lisa Eglesfield (Pensions Administration Service Manager).

Regarding the Matthews project, 144 retained firefighters had been identified as being in scope to be offered the opportunity to buy back periods of pensionable service in the scheme. Of those, 57 had expressed an interest in the purchasing service. Thirty of those were pensioners, 18 were deferred members and nine were active firefighters. Work was still ongoing to identify any further cases, but the passage of time and changes to the payroll system meant this was proving difficult. Nine people had been sent their calculation and options about the Matthews project and three had replied to confirm they wished to purchase service. Their details would be passed on to the West Yorkshire Pension Fund. The team had been working with colleagues in Finance to develop recording methods for contributions owed. Responding to a question from the Chair, Lisa Eglesfield said the Fund would need to report a breach if it was believed there were additional people who may be in scope, but it had not been possible to identify them.

The data collection needed to complete the age discrimination remedy had been finalised. The data had been calculated using the government actuary departments calculator to calculate tax and contribution rates for members. This would allow members to see the cost of the scheme options that were being offered to them. However the figures were subject to change depending on fluctuation in interest rates and were therefore being held by Warwickshire in case they needed updating before they were used by West Yorkshire Pension Fund.

The first compensation payment under the McCloud scheme had been made, relating to a refund of pension contributions following an member retiring and converting service from the 2015 scheme into the 2006 scheme. There had been no further requests for payments to be made through McCloud.

Lisa Eglesfield told members the reporting of a breach of annual benefit statements to the regulator had not yet taken place. At the time the report was written it had been anticipated the breach would have been reported before the Board meeting, but this had not been the case.

Most of the incorrectly paid contributions caused by temporary promotions had now been refunded. The updated information had been issued to the West Yorkshire Pension Fund for these members. However Helen Scargill (Client Relationship Manager, West Yorkshire Pension Fund) said there may be a potential impact in terms of the age discrimination legacy, as any information prior to 1 April 2022 held by the West Yorkshire Pension Fund may not be correct.

Helen Scargill drew members' attention to the West Yorkshire Pension Fund's July client report. Each of the KPIs were being met except for setting up of deferred benefits, although this was not meeting its percentage target due to the low numbers involved. Work had begun on green rated breaches relating to immediate choice payments, but progress had been slow. However the system had been set up to process these payments.

Members were told the deadline for producing pension savings statements was 6 October. This was being given priority, and officers were having to manually go through the statements.

Responding to a question from the Chair, Helen Scargill said there were no outstanding issues with the HMRC calculator for the annual allowance adjustments and this had now been resolved.

Regarding training for members, Helen Scargill said the West Yorkshire Pension Fund's representative for fire, had done some training courses and taken 59 bookings from members. Further training sessions would be taking place in September and October.

The West Yorkshire Pension Fund website had been updated and relaunched on 1 July. One of the new sections gave more information on assumed pensionable pay and absences, and what options were available to members.

An IT issue had been found where earnings and contributions for some members could not be found. This could not be remedied internally and it had been reported to the IT provider, Civica. However a solution had not yet been found.

Helen Scargill suggested that future meetings could have a separate agenda item relating to pensions dashboards. She added the West Yorkshire Pension Fund had agreed an ISP provider for its dashboard and this had gone live on 1 August. Feedback regarding the dashboard had been positive.

Members noted the contents of the report.

3. Governance and Policy Update

The item was introduced by Lisa Eglesfield. A full review of the Fire Pension Scheme's discretions policy had been undertaken and approved by the Staff and Pensions Committee on 9 September. All members were now enrolled into the 2015 Firefighter Pension Scheme and it was anticipated the majority of any requests would relate to discretions for that scheme, although there may still have to be a need for discretions to be determined for other schemes. The scheme manager was the Executive Director for Resources; however it had been agreed that unless already delegated elsewhere, any initial decisions relating to discretions under the Fire Pension Scheme should be exercised at assistant Chief Fire Officer level with support from Human Resources. There were only a limited number of applications for the exercising of fire pension discretions. Any complaints relating to discretions would be handled by Watch, the Fire and Rescue Authority's internal dispute resolution procedure.

Members were told that two new member fact sheets had been produced by the Local Government Association relating to the McCloud age discrimination scheme. The Fund was aiming to identify anyone that received a pension saving statement for annual allowance this year and provide them with targeted communications relating to McCloud. Updated guidance had also been issued for scheme managers in relation to contingent decisions regarding members that had opted out of the scheme, and those who would have opted to purchase more service.

The Home Office had confirmed there needed to be legislative changes to tax regulations relating to immediate choice for medial service statements. Work was taking place on this but any regulatory changes would not be made before 2025 at the earliest. The Treasury had also confirmed the regulatory changes, when made, would apply retrospectively to 1 October 2023. However it was confirmed that if the Fund acted before the legislation changed, it would then be in breach of that new legislation.

An updated calculator and guidance had been issued on 12 July relating to the Matthews project.

The Warwickshire Fund had an approved business plan project plan for the pension dashboard projects and would work closely with the West Yorkshire Pension Fund to ensure delivery for members. This may involve some data cleansing work on data supplied from Warwickshire to the West Yorkshire Pension Fund.

Lisa Eglesfield reminded members the Pensions Regulator had issued a new code of practice in March that all pension funds should comply with. The Warwickshire Pension fund had contracted a pension actuary to review and report on compliance with the code. A report on the result of this review was expected to be available to the Board early in the next calendar year. Lisa Eglesfield said the Warwickshire Pension Fund had proactively tried to identify and address areas it was thought the Fund might be lacking in, such as holding training sessions on cybersecurity and scams.

Members noted the contents of the report.

4. Forward Plan

Lisa Eglesfield introduced members to Alistair Wickens (Technical Specialist, Pensions Fund Policy and Governance), who would be identifying training needs and providing future updates on the Forward Plan. She added the Local Government Association had arranged set training days throughout the year that Board members were welcome to sign themselves up to. Members would have to inform officers at the Pension Fund if they undertook any training.

Members noted the contents of the Forward Plan.

5. Risk Register

Lisa Eglesfield advised members that the Local Government Pension Scheme included its risk register within its governance and policy update at its Board meetings, and asked if members would prefer to follow this approach or keep the status quo. Members said they preferred to keep the risk register as a separate agenda item.

Although the items on the risk register remained the same as previously, the risk scoring method used by the Council as a whole had changed to once that scored likelihood times impact. The Fire Pension Scheme's risk register was being reviewed to be in line with that update and the revised version would be included in the next agenda reports pack. However, the actual likelihood or impact of any of the risks included on the register had changed. It had been proposed that ensuring pension records were correct be included as an item on the risk register.

Members noted the contents of the risk register.

6. Any Other Business

There were no additional items to discuss.

7. Future Meeting Dates

Members noted the next meeting would be held in-person on 4 November.

The meeting rose at 2.50pm

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Chair