

Staff & Pensions Committee Regulatory Update

12 March 2020

1. Recommendation(s)

1.1 That the Committee note and comment on the report.

2. Executive Summary

2.1 This report seeks to update the Committee on current and future developments in the LGPS and Firefighter Pension Schemes.

3. Financial Implications

3.1 No direct costs identifiable at present.

4. Environmental Implications

4.1 None

5. Supporting Information

5.1 McCloud update:

5.2 Earlier this year the government lost its right to appeal the McCloud age discrimination court case at the Supreme Court.

5.3 There is still no further update on the resolution for LGPS members but Members of the Committee should be aware that the Actuary has made an allowance in the assumptions for the recent triennial valuation to allow for potential costs.

5.4 The Fund is also contacting Scheme Employers to ensure they retain pay and HR records in case of future queries regarding the potential resolution for members who may be impacted.

5.5 **Firefighters Pension Scheme (FPS)**; shortly before Christmas a complaint by a firefighter was upheld by the Employment Tribunal which ruled that changes made to the FPS in 2015 discriminated against members because of their age.

- 5.6 Fire Authorities are currently waiting for guidance to be issued by the Home Office as to how the cases of those firefighters who have been discriminated against are to be dealt with. But it is likely that firefighters falling within scope of the ruling will be put back in the old pension scheme and have their previous rights restored.
- 5.7 The guidance is also likely to cover how Fire Authorities deal with those former firefighters who have retired under the provisions of the new scheme and whose benefits should be recalculated under the previous scheme provisions.
- 5.8 Committee members should note however, that for the LGPS it is not possible to restore previous pension rights as the old LGPS Scheme is closed. It is likely therefore, that any form of restitution for LGPS members will involve a further underpin process to determine if the member is better off in the new or old scheme.
- 5.9 Such a process mentioned in 5.8 above will create further complications in the calculation of the entitlement for a member and confusion for the member about their entitlement. There is also likely to be a requirement for additional administrative resource to deal with resolving cases for current and past members.
- 5.10 **LGPS Consultation on valuation cycles / managing employers;** no further update to make since the last meeting.
- 5.11 **Exit payment cap;** no further update to make since the last meeting.

6. Timescales associated with the decision and next steps

- 6.1 Officers will keep the Committee updated on future developments.

Appendices

1. None

Background Papers

1. None

| | Name | Contact Information |
|--------------------|---------------|--|
| Report Author | Neil Buxton | neilbuxton@warwickshire.gov.uk |
| Assistant Director | Andrew Felton | andrewfelton@warwickshire.gov.uk |
| Lead Director | Rob Powell | robpowell@warwickshire.gov.uk |
| Lead Member | Kam Kaur | kamkaur@warwickshire.gov.uk |

The report was circulated to the following members prior to publication:

Local Member(s):

Other members: