



Minutes of a meeting of the Leicester, Leicestershire and Rutland CFA - Local Pension Board held at County Hall, Glenfield on Thursday, 10 March 2022.

PRESENT

Mr. J. T. Orson JP CC (in the Chair)

Cllr. Elaine Pantling
Adam Taylor

Graham Vaux

In attendance

Callum Faint, Chief Fire and Rescue Officer
Karl Bowden, Interim Assistant Chief Fire Officer
Colin Sharpe, Deputy Director of Finance, Leicester City Council
Gemma Duckworth, Democratic Services Officer

31. Apologies.

An apology was received from Councillor H Rae Bhatia.

32. Minutes.

The minutes of the Local Pension Board held on 2 December 2021 were taken as read, confirmed and signed.

33. Conflicts of Interest.

The Chairman invited members who wished to do so to declare conflicts of interest in respect of items on the agenda.

No declarations were made.

34. Scheme Manager's Update.

The Board received a report of the Pension Scheme Manager concerning the Firefighter's Pension Scheme Risk Register and the Firefighter's Pension Scheme Breaches Register. A copy of the report marked 'Agenda Item 4' is filed with these minutes.

Members were informed that the Risk Register remained unchanged and that no breaches had taken place since the last report to the Board. The implementation of the national age discrimination remedy judgements remained a key risk.

RESOLVED:

It was moved by Mr. Orson CC and seconded by Councillor Pantling that the Risk Register be approved and the Breaches Register be noted.

35. Firefighters' Pension Scheme - Age Discrimination Remedy Update.

The Board received a report of the Pension Scheme Manager which provided an update on the developments concerning the age discrimination remedy/immediate detriment related to the Firefighter's Pension Scheme. The decision regarding the approach to be taken have been approved by the CFA at its meeting on 9 February 2022. A copy of the report marked 'Agenda Item 5' is filed with these minutes.

It was noted that, since December 2021, there had been little national progress and Fire Authorities were taking differing approaches. The Chief Fire and Rescue Officer and Scheme Manager had agreed that the local approach should be that a remedy should be offered to personnel approaching retirement but that action regarding those who had already retired should remain paused. The CFA had been recommended to continue not to adopt the Memorandum of Understanding. The Scheme Advisory Board had written to HM Treasury asking for further clarification but to date, no response had been received.

Arising from the discussion, the following points were raised:

- i) There were currently 21 members in Category 2 and these would need to be worked through when possible. The figures for the 24 personnel approaching retirement would be estimated. It was noted that taking an immediate detriment remedy in advance of the necessary legislation exposed the retiring member to a tax risk. It was the intention to provide retiring members with an estimate so that they were aware of the benefits and risks.
- ii) In response to a query, it was not anticipated that the war in Ukraine would have any impact on the Pension Scheme. As funds were not managed locally, there would be no direct impact from investments in Russia.
- iii) All remaining legacy scheme members would transfer to the 2015 pension scheme from 1 April. West Yorkshire Pension Fund, as Scheme Administrator, had written to all active pension fund members to make them aware which category they fell into and to confirm that no action was required unless a member was retiring. It was stated that the Fund would work on the basis that all members would take benefits in the legacy scheme, but this would be the decision of the retiring member. A follow up letter would be sent to the 25 members who were still in the legacy scheme; the LGA would provide the template for this letter and it would include details of the contribution rate change and the ability to transfer to the 2015 scheme. Confirmation was given that no Leicestershire Fund members had lifetime protection status.
- iv) A response had been submitted to the Scheme Advisory Board survey around the readiness to implement the age discrimination remedy. Lots of work would be required to implement the remedy, but the Fund was prepared to transfer scheme members' pension records on to the 2015 scheme. Existing data would be maintained so that accurate calculations could be provided to members.
- v) Legislation was due to be implemented in October 2023, although there was uncertainty around this date. Confirmation had been sought but this had not been received and it appeared that the implementation date could slip. The Scheme Advisory Board was commissioning a suite of illustrative scenarios to present the different options and to provide clarity around the remedy. A

remedy checker had also been produced with a series of FAQs on the Scheme Advisory Board website.

- vi) Attention was drawn to the case of a Firefighter who had died in service in 2016; this person had been part of the 1992 Pension Scheme and under the terms of this Scheme, it had not been possible to pay any pension benefits to his partner as they had been unmarried. His dependent children had been able to receive a pension. This case had been raised in the House of Commons and a response had been received from the Fire Minister. A query was raised around what LFRS was doing to support the partner of the deceased Firefighter. The Chief Fire Officer responded that the issue had been considered at the time of death and again more recently, but there was no opportunity to apply any discretion. Assurance was given that had it been possible, a payment would have been awarded. It was agreed that this situation was unfair; it had been hoped that the new legislation would provide an opportunity to address this, but it was likely that this would be delayed. The Chief Fire Officer also stated that in these cases, it was necessary to consider the legal protection of the Fire Authority.
- vii) The Board was informed that other options were being considered in this case; legal advice was being sought and the family was being supported by the FBU. However, it was hoped that the inequality for a surviving partner would be considered as an issue by Government and the Chairman agreed to raise this with his local MP.
- viii) A national pensions dashboard was being developed so that individuals could view all their pension entitlements in one place; this was intended to be phased in from 2024. The LGA had produced two responses to the consultation on this – one on behalf of Fire and Rescue Services and one on behalf of the Scheme Advisory Board. There were a number of issues relating to the dashboard and the comments made would be available to view shortly. One concern was that the Firefighter Pension Scheme was being grouped with public sector pension schemes. There would also be an issue with timeframes; new legislation was due to be implemented in October 2023 but the deadline for information for the dashboard was April 2024. There was an 18 month period to provide a remedial service statement, which ended in April 2025. The information provided in April 2024 would need to be linked to the last pension statement so would be incorrect. The Chief Fire Officer confirmed that he had now been asked to comment on the dashboard proposal.
- ix) In response to a query, it was stated that it would be compulsory to be part of the national dashboard. This would not replace the Annual Benefits Statement, but would include information from the previously produced statement. However, it would not be a live dashboard.

RESOLVED:

It was moved by Mr Orson CC and seconded by Councillor Pantling that:

- a) The update concerning the age discrimination remedy / immediate detriment related to the Firefighters' Pension Scheme be noted; and
- b) That the decision of the CFA regarding the approach to be taken be noted.

36. Scheme Administrator's Update.

The Board considered a report of the Pension Scheme Administrator which provided an update on the administration of the Firefighter Pension Scheme for the period 1 October 2021 – 31 December 2021. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

In presenting the report, the Pension Scheme Administrator informed members that:

- i) The first test run had been completed on data collection, and this this had resulted in a number of inconsistencies. Once it appeared that it was working fully, the data collection template would be circulated. This would hopefully be mid-April. It would then be necessary to look at all the data held for each individual to ensure it was correct.
- ii) With regard to the Matthews case, the Home Office had now completed its consultations with interested stakeholders. There would be an 18 month consultation period before the regulations came into force and Fire and Rescue Authorities would then have a further 18 months to complete the exercise.

RESOLVED:

It was moved by Mr Orson CC and seconded by Councillor Pantling to note the update provided on the administration of the firefighter pension scheme for the period 1 October 2021 – 31 December 2021.

37. Employee Representative's input.

There was nothing to report.

38. Date of next meeting.

The next meeting of the Local Pension Board will be held on Wednesday 15 June 2022 following the meeting of the Combined Fire Authority.

10.00 - 11.15 am
10 March 2022

CHAIRMAN