

Minutes of a meeting of the CFA - Local Pension Board held at Leicestershire Fire and Rescue Service Headquarters, Birstall on Wednesday, 10 February 2021.

PRESENT

Mr. W. Liquorish JP CC (in the Chair)

Cllr. M. Valand

Graham Vaux
Adam Taylor

In attendance

Colin Sharpe, Deputy Director of Finance, Leicester City Council
Yunus Gajra, West Yorkshire Pension Fund
Helen Scargill, West Yorkshire Pension Fund
Anna Poole – Democratic Services Officer, Leicestershire County Council

35. Apologies.

Apologies were received from Councillor Rae Bhatia.

36. Minutes of the previous meeting.

RESOLVED:

The minutes of the Local Pension Board held on 23 September 2020 be taken as read, confirmed and signed.

37. Conflicts of Interest.

The Chairman invited members who wished to do so to declare any interests in respect of items on the agenda for the meeting.

No such declarations were made.

38. Scheme Manager's Update.

The Board received a verbal update from the Pension Scheme Manager concerning the appointment of a new Pension Administration Provider.

The Chairman welcomed representatives from the West Yorkshire Pension Fund to the meeting and thanked Ian Howe, Pension Fund Administrator at Leicestershire County Council, and his team for their administration of the Leicestershire Fire Service Pension Fund over recent years.

RESOLVED:

That the verbal update be noted.

39. Introduction by new Pension Scheme Provider and Pension Fund Administration Report.

The Board considered a report from the Pensions Scheme Administrator which provided an update on the fire fighter pension administration in the period 1 November – 31 December 2020. A copy of the report marked 'Agenda Item 5' is filed with these minutes.

The West Yorkshire Pension Fund (WYPF) representatives introduced themselves to the Local Pension Board - Yunus Gajra, Head of Governance and Business Development and Helen Scargill, Pensions Administrator.

In presenting the report, the Pensions Administrator informed members that:

- i. the transition of the pension fund to WYPF had gone smoothly with no issues. All data had been received from the County Council and all pensioners had been paid from December onwards;
- ii. Leicestershire County Council had confirmed that they had issued all pension statements and completed all valuation extracts by the October deadline;
- iii. There had been no regulation changes.
- iv. The HMRC Annual Event reporting had been a joint effort between Leicestershire County Council, Leicestershire Fire and Rescue Service and WYPF in order to meet the deadline as WYPF did not have access to the Fire Service's online account with HMRC. This would be rectified in time for the next quarter's reporting.

In regard to the Sargeant case, since the report to the LPB had been written, the outcome of Her Majesty's Treasury consultation had been issued. The WYPF would be considering this to determine future action required to implement and remedy issues in full. The deferred choice underpin had been selected which meant that, from 1 April 2022, everybody who had transitioned into the 2015 Scheme and was still an active member, would be returned to their legacy scheme, so addressing age discrimination issues for past service. Also from this date, all active members, regardless of age or length of service, would be moved into the Care Scheme (2015) going forward. WYPF would be working with the Scheme Advisory Board and the Local Government Association to provide appropriate communication to members.

In response to questions, members were assured that WYPF was keen to ensure that sufficient resources were in place to support LFRS and other FRS clients. Resource levels were reviewed regularly to ensure a smooth service continuity. It was expected that the work related to Sargeant would increase and the Board was assured that additional resources would be put in place to meet service needs.

RESOLVED:

That the update provided on the administration of the fire fighter pension scheme in the period 1 November – 31 December 2020 be noted.

40. LFRS Firefighters' Pension Scheme Risk Register.

The Board considered a report of the Pension Scheme Manager which presented the current risk register for the Leicestershire Fire and Rescue Service Local Pension Scheme. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

It was reported that Risk 6 had been updated to reflect the progress made with establishing a tri-service agreement between Derbyshire, Nottinghamshire and Leicestershire, for specialist pensions advice from an officer at Derbyshire Fire and Rescue Service. This would work in conjunction with WYPF and result in future meetings of the LPB receiving a more detailed update on key pensions issues.

In response to questions, it was agreed that Risk 3 would include an implementation date on future updates, and that the implementation date for Risk 15 would be amended to reflect the recent guidance given and the outcome of the consultation.

It was moved by Mr. Liquorish JP CC and seconded by Councillor Valand that the risk register be approved.

RESOLVED:

That the risk register be approved.

41. Firefighters' Pension Scheme Breaches Register.

The Board considered a report of the Pension Scheme Manager which gave an update on the Breaches Register. A copy of the report marked 'Agenda Item 7' is filed with these minutes. The Breaches Register had been circulated to the Board and identified that no breaches had taken place in the reporting period.

RESOLVED:

That the Breaches Register, attached at Appendices 1 and 2, which identified that no breaches had taken place in the reporting period, be noted.

42. Joint Pension Board - Update.

The Board received a verbal update from the Pension Scheme Manager concerning the formation of a joint Pension Board.

Members were informed that the application for the joint Board was awaiting approval by the Secretary of State and, due to the other pressures on the Government at present, this may take some time.

RESOLVED:

That the update provided on the proposal for a joint Pension Board be noted.

43. Employee Representative's input.

The Board received a verbal update from an employee representative of the Local Pension Board.

In response to questions, members were informed that:

- i) The process and application of the Immediate Detriment Guidance issued following the Sargeant/McCloud judgement would need to be agreed with WYPF so that it was applied consistently across Nottinghamshire, Derbyshire and Leicestershire FRS;

- ii) Currently, calculations for pensions estimates requested would be made using the provisions of the Guidance as it currently stood. Further information and clarity was awaited from the Local Government Association on how the new Immediate Detriment Guidance should be applied to ensure that risks identified were mitigated; and
- iii) Her Majesty's Treasury would produce a form of mandate for pension scheme members to accept the pension calculation on the basis of the information as known, the risk associated with potential overpayment and accepting the need to make any repayments required.

The Employee Representative requested that a report be presented to the next meeting of the Board addressing the issue of Age Discrimination and the status of the interim Guidance issued, how it would be applied and whether Pension Scheme Members could sign a waiver accepting the risk of potential overpayment in the application of interim guidance. Advice from the Monitoring Officer would be sought.

RESOLVED:

That a report be presented to the next meeting of the Local Pension Board concerning the age discrimination and the application of the Immediate Detriment Guidance.

44. Date of next meeting.

The next meeting of the Local Pension Board will be held on Wednesday 16 June 2021 via Microsoft Teams following the meeting of the Combined Fire Authority.

11.45 am - 12.21 pm
10 February 2021

CHAIRMAN