

**Minutes of the meeting of the Local Pension Board
held on 10 August 2020 via Skype**

PRESENT

Employer Representatives:

Cllr Bryan Apsley
Cllr J B Hughes
Ken Finch, Treasurer
Gareth Owens, Deputy Clerk

Employee Representatives:

Richard Fairhead, Fire Leaders Association - Prospect, Employee Representative **(Chair)**
Jane Honey, Fire Officers' Association
Bob Mason, Fire Officers' Association.
Blythe Roberts, FBU
Duncan Stewart-Ball, FBU

Advisors

Helen MacArthur, Assistant Chief Officer
Julie Brown, Pensions Manager

Minute Taker

Alwen Davies, Members' Liaison Officer

Richard Fairhead was elected Chair for the meeting.

1 APOLOGIES

Cllr Simon Glyn
Kevin Gerrard Dyfed Pension Fund Pensions Manager
Martin Morgan Dyfed Pension Fund Deputy Pensions Manager.

2 DECLARATIONS OF INTEREST

2.1 None.

3 MINUTES OF THE LAST MEETING

3.1 The minutes of the meeting held on 27 May 2020 were approved as a correct record.

4 FIREFIGHTERS PENSION SCHEMES – UPDATE REPORT

4.1 The Pensions Manager presented the report which informed members about the scheme membership, together with updates on:

- Member communications
- Age discrimination remedy (Sargeant)
- Booth Judgment
- Welsh Government consultation
- Overview of FPS bulletins and circulars.

4.2 It was noted that currently 85 of the operational employees are not enrolled within a firefighters' pension scheme, however, this was due in part to the fact that retained duty personnel have access to a pension through their primary employer. It was noted that measures are continuously being taken to encourage employees to join the pension scheme via pension clinics and the Weekly Brief.

4.3 All those representing various representative bodies were asked to encourage all their members to access 'My Pensions Online' in order to monitor their pension. It was suggested that written FBU communications should be sent to every member in order to increase its use.

4.4 Following the age discrimination case (Sargeant) whereby the Court of Appeal ruled that the transitional arrangements introduced as part of the 2015 reforms to the Firefighters' Pension Scheme were discriminatory and, therefore, unlawful, HM Treasury has now published a consultation on proposals relating to the 2015 public service pension reforms. NWFRA will be sending a response to the consultation.

4.5 The Booth judgment concluded that the day crewing allowance and training allowance were both deemed pensionable when paid under a permanent arrangement. Although the judgment is not legally binding on all fire and rescue authorities, NWFRA recognises the administrative burden that arises from litigation, and therefore gave permission in March 2020 for officers to seek a local agreement on this matter. The Service has been liaising with the Regional Secretary of the Fire Brigades Union to formulate a mutually acceptable local agreement; it was noted that this draft agreement will require the approval of the Fire and Rescue Authority in November and confirmation will be brought to the Local Pension Board in January 2021.

4.6 Members were informed of consultations currently open as follows:
A WG consultation relating to proposed amendments to the firefighter pension schemes following the Supreme Court rulings in the cases of Walker and McLaughlin. In addition, the consultation also covers other minor amendments.

4.7 The Supreme Court judgment in Walker v Innospec held that civil partners and same sex spouses should be entitled to the same survivor benefit entitlement as those provided to survivors of opposite sex marriages.

4.8 RESOLVED to note the report.

5 DYFED PENSION FUND (DPF) UPDATE (SCHEME ADMINISTRATOR)

5.1 Due to video conferencing issues, K Gerard and M Morgan, were unable to attend the meeting therefore ACO MacArthur gave an update.

5.2 It was noted that Dyfed Pension Fund team continues to undertake all its work without too much disruption since the Covid-19 outbreak. ACO MacArthur was grateful that the administrators were experienced in FRS pensions and with all the changes and issues that will be coming up in the next year or so, it will be of benefit to have administrators with such knowledge and experience. It was also noted that software updates will be required to undertake the work that will be necessary.

5.3 RESOLVED to note the information provided.

6 SCHEME ADVISORY BOARD

6.1 ACO MacArthur gave members an update following the Scheme Advisory Board (SAB) meeting held on 24 July 2020. The agenda focussed on the following areas:

- the consultation on the remedy arising from the legal judgment (Sargeant) following the claim of age discrimination arising from the transitional pension arrangements in the 2015 Firefighters Pension Scheme;
- an update on the 2020 actuarial valuation of the Firefighter Pension Schemes; and
- an update on scheme data including pension opt outs.

6.2 In terms of the actuarial valuation, Members noted that a valuation of the pension schemes takes place on a four year cycle and is undertaken by an appointed actuary. The actuarial process is complicated and provides a present value estimate of future liabilities. The valuation also considers the anticipated contributions into the schemes and is used to inform employer and employee contribution rates. Members will be kept informed of developments at future meetings.

6.3 RESOLVED to note the report.

7 RISK REGISTER – OPERATIONS

7.1 Members were reminded that the Pensions Regulator recommends that Local Pension Board members consider and review their Risk Register during each Board meeting.

7.2 The operations area of the risk register was shared with Members on this occasion. It was noted that Cybercrime is the highest risk with a score of 16. However, it was noted that this area continues to be closely monitored across the Service. It was noted that the score matrix depicts the level of risk after mitigating controls and factors have been taken into account.

7.3 RESOLVED to note the Operations Risk Area of the Register for 2020-21 and that any changes or updates will be incorporated into the register and the revised document published on the Authority's website.

8 MATTERS TO BE REFERRED TO THE FRA

8.1 The next meeting of the FRA will be on 9 November and the following matters will be referred to that meeting.

- LPB annual report and ToR
- Approval of discretionary policy for FF Pension Scheme
- Update on transitional legal challenge pensions
- Pensionable pay elements of FF pension scheme
- Valuation scheme.

9 ANY OTHER BUSINESS

9.1 Members were asked to continue with their online pension training and contact the Pensions Manager if they required assistance on any particular area. It is anticipated that future meetings will return to having a training slot on the agenda and again if members have any specific requests for training to contact the Pensions Manager.