

Public Document Pack

West Sussex Fire & Rescue Service

CPP Room 214
2nd Floor West Wing
County Hall
West Street
Chichester
West Sussex
PO19 1RQ
(01243) 786211
www.westsussex.gov.uk



17 September 2021

West Sussex Fire & Rescue Service Local Pension Board

A virtual meeting of the Board will be held at **11.30 am** on **Monday, 27 September 2021**.

Chair Jon Lacey

Assistant Chief Fire Officer

To: all members of the FRS Local Pension Board

Agenda

1. **Apologies**

2. **Declaration of Interests and Gifts and Hospitality**

Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such as an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt, contact Adrian Murphy before the meeting.

3. **Urgent Matters**

Items not on the agenda, which the Chairman of the meeting is of the opinion, should be considered as a matter of urgency by reason of special circumstances.

4. **Minutes from the meeting held on 28 June 2021 and Action report**
(Pages 3 - 8)

To confirm the previous meeting's minutes and action log.

5. **Administration Procedures and Performance**

The Board is asked to note the report and request any further information that is required.

Administration Procedures and Performance Report - by Chief Fire Officer

6. **Confidential Items for discussion**

Nil to note.

7. **Training Schedule Review**

8. **Future Pension Board's Chair**

9. **Date of Next Meeting**

The next meeting of the Board will be held on 13 December 2021 at 11.30 am.

Local Pension Board

Virtual meeting held on Monday 28 June 2021

Present: Jon Lacey (JL) (Chair), Tara Atkins (TA), James Diston (JD), Jon Simpson (JS), Giles Sparkes (GS), Jon Weir (JW), Paul Mace (PM), Garry Collins (GC), Sreya Gofford (SD) (Note Taker)

1. Apologies: None

2. Declaration of Interests & Gifts and Hospitality

N/A

3. Urgent Matters

N/A

4. Minutes from the meeting held on 29 March 2021 and Action report

Approved by members.

5. Administration Procedures and Performance

Appendix A - Membership Numbers

TA said that there has not been a massive change in the membership numbers. The main purpose of reflecting the membership within the scheme is to ensure that there aren't unusual activities, which we have been successfully maintaining.

Compliance with Scheme Regulations

In March 2021 the Local Government Association produced its annual update, this provides information on the rates for:

- Contribution rates
- Additional pension purchase limit
- Public Service Pension Indexation and revaluation
- HMRC limits
- Automatic enrolment earnings bands
- Annual GMP increase
- The social security revaluation of earnings factors

TA mentioned that the Contribution rates didn't change this year and Hampshire have updated this accordingly in the administration sides and West Sussex have updated the internal policies where the limits are appropriate, and payroll have reflected this with regards to their assessments that they do.

There is a couple of consultations that have taken place. The first one is with regards to indexation for Guaranteed Minimum Pensions (GMP). The consultations results were published with regards to how that would continue.

[Guaranteed Minimum Pension \(GMP\) Indexation in Public Service Pension Schemes – Consultation response](#)

Agenda Item 4

The consultation response concludes that the government has decided to discount conversion as a long-term policy solution and make the interim solution the permanent solution. The approach means the public service pension schemes will be directed to provide full indexation to those members with a guaranteed minimum pension, reaching state pension age beyond 5 April 2021.

The Pension Regulators (tPR) – Code of Practice Consultation

On 17 March 2021 the Pension Regulator published a consultation on the draft content for the new code of practice the closing date to the consultation closed on 26 May 2021. The Fire Authority did not provide a response to the consultation.

Pensions Dashboard

The Pensions Administration Standards Association (PASA) has published guidance on getting ready for pensions dashboards', this has a strong focus on what scheme should be doing now to make sure they have the right data in place.

Remedy Data Collection

In April 2021, the Local Government Association (LGA) published the [template and notes](#) for completion documents to allow Fire Authorities to be able to provide the data that is needed ahead of remedy. This is a national agreed process for how we are going to collect the data for remedy. This came out in May and the deadline for completion is September. Therefore, we are currently working with Hampshire to complete that.

Internal Dispute Resolution Procedure (IDRP)

The Local Government Association (LGA) collect data annually for the Internal Dispute Resolution Procedures. This is basically the appeals process under the scheme of any decisions that have been made. This data was requested and a responded to by the deadline of 31 May 2021.

There have been no IDRP cases in the last 12 months.

FRA Remedy Self-Assessment Survey

The Local Government Association launched the Remedy self-assessment survey at their Scheme Advisory Board update event on 20 May 2021. The deadline for completion is 30 May 2021. This was regards to self-assessments to identify where we are as a fire authority for collecting that data.

Officers are working with Hampshire Pension Services to provide a response.

Immediate Detriment

On 10 June 21, at the request of the Fire Brigade Union (FBU), the Home Office issued an update to the existing [informal and non-statutory guidance](#) on immediate detriment cases. This is to help fire authorities and administrators implement immediate detriment.

This guidance remains to be informal and is not of a statutory nature therefore it is down to each fire authority as to whether they implement immediate detriment or not. As an update from West Sussex Fire Authority, we are in the process of a decision paper going to the Executive Leadership Team in the next couple of weeks,

with regards to how we will implement immediate detriment.

TA said as an update to the Board, that we are moving forward with that decision but we are unable to disclose this at the meeting.

The guidance applies to immediate detriment cases that are currently in the pipeline (i.e. those who are about to retire and receive their pension benefits) and does not cover where a pension is already in payment.

The guidance provides informal advice, but the overall responsibility as to whether there is legal position to apply this guidance sits with the Fire Authority.

The Local Government Association has up dated their [Immediate Detriment Information Note](#), to take into account the new informal guidance.

Officers have drafted a decisions paper in consultation with our legal team, which is being presented to the Executive Leadership Team at their next meeting.

Following discussion and a vote by the members the Chair suggested we can take a formal line to the scheme manager that the Scheme Manager shares a paper on Immediate Detriment decision as soon as possible, so we can assist the scheme manager in determining the resolution exactly.

Action – Chair to speak to the scheme manager about this decision paper so that the scheme manager is in a position to share the paper with the Board members before sending this to the next ELT. Chair would try to get this paper over to the Board member by **Friday evening** so that they could leave their comments with feedback.

The Pension Regulator – Pledge to combat Pension Scams

Since the last meeting when the Board were informed of the pledge to combat pension scams, Hampshire Pension Services have been certified of its compliance with the pledge.

Appendix B - Performance

Within the last quarter we have continued to work at 100% at providing the appropriate items – it shows that within the last three months, the Hampshire team have worked really well.

The Chair also mentioned that we are going to review the end-to-end process where managers get appropriate training / knowledge on ever changing pension schemes and guidelines and will make sure that appropriate training is taking place at the right time.

Also the Chair spoke about the easy availability of the Retirement planning training so that people can apply for and get it; this will help them in the transition from their daily role of work through to when people are due to retire.

Breach Reporting

There are a number of statutory requirements within the Firefighters' Pension Scheme(s) for which there is a statutory duty to report to the Pensions Regulator if a material breach occurs.

For the last quarter there have been no reported breaches.

Appendix C – Communications

There have been communications within the last quarter with regard to the updated information on immediate detriment. This information went out to the members within days of us receiving the information. There have some other pieces of information that have gone out from Hampshire with regards to the remedy side of things and the annual benefit statements.

Member Portal Access

We've continued to see an increase in the sign up for the Member Portal access which is a positive sign

Annual Benefit Statements

Deferred annual benefit statements have started to become available to view on the member portal.

The current percentage of statements produced is 87.13%. The pensions team will continue to publish the statements ahead of the statutory deadline of 31 August 2021. AL confirmed that this has increased to 97.47%

The Local Government Association has provided recommended wording to be included in this year's active annual benefit statements, which is as follows:

"Important: Please note that this year's Annual Benefit Statement provides an estimate of your pension benefits built up in your current scheme membership to 31/03/2021.

On 20 December 2018, the Court of Appeal ruled in McCloud/Sargeant that the transitional arrangements introduced as part of the 2015 reforms to the Firefighters' and Judges' pension scheme were discriminatory and, therefore, unlawful. The Government subsequently accepted that this ruling applied to all the main public service pension schemes.

The Government has consulted on the changes needed to remove discrimination from the schemes and work is ongoing to make these changes. This work is complex and will take time. For further information please see the [Written Ministerial Statement](#) from 4 February 2021.

We understand that it will be disappointing to members that the current values of this year's statement will not be able to reflect the remedy choice between legacy and reformed benefits at this stage, however, the rules and systems are not yet in place to calculate benefits with discrimination removed. This means that it has not been possible to reflect the impact of the Court of Appeal ruling in this year's Annual Benefit Statements.

*Any projections on your pension entitlement are based on the assumption that your current membership will continue until your normal pension age. All currently **protected members** will be placed in the FPS 2015 for service after 1 April 2022 (the end of the remedy period). Due to the software changes needed to illustrate this, it will not be possible to reflect this position in projected benefits this year. [Optional for those who wish to provide estimates - Members due to retire before 31 March 2022 should be able to request an*

estimate in their usual way.]

You can find more information about removing age discrimination on the [FPS Regulations and Guidance website](#).

There was a discussion as to whether the board members should be involved in the communication process – to which TA reassured them that if any of the board members have feedback with regards to the pension communications, that this meeting is the place for that to take place and they should be feeling that they have this opportunity to scrutinise or challenge those communications.

Action – To add 'Communications Review' on to the agenda as a separate item and may need to write an additional report.

Action – To add Jo Weir's FBU email address to the distribution list for sharing comms so that he doesn't miss anything.

Firefighters Pension Scheme Correspondence

The Bluelight Team of Local Government Association publish a monthly bulletin which is viewable on the FPS board website.

Details of the correspondence received since the Board met last is available, along with a brief description and actions required at **Appendix D**.

Members website

Scheme Advisory Board on the 20 May made an update and they also formally launched. The national website for [Firefighters' Pension Scheme members](#).

The aim of the website is to have a central resource for firefighters to find out about their pension scheme and the benefits and options that are available. The site is based on the Scheme rules and therefore provides facts, rather than opinion or speculation.

The home page is set out into sections for each of the current schemes. This will be updated accordingly as remedy is implemented.

Hampshire Pension Services webpages will be update accordingly to link into the national pages.

Scheme Year Cycle

The events in the Scheme Year Cycle from April to June are as follows:

- Scheme Year Start
- Annual Benefit Statement preparation
- TPR Survey Results
- Pension Increase and CARE revaluation

Scheme Year Start – there is nothing specific to report on this item

Annual Benefit Statement Preparation

Hampshire Pensions Team are in receipt of the annual return and have been working through any queries. Preparation has commenced on producing and publishing the

deferred statements. Active statements will be produced once the annual return queries have been resolved, but by the statutory deadline

The Pension Regulators (tPR) Survey results

These have not yet been published. As soon as they have, they will be shared with the Board, and any actions required will be taken.

Pension Increase and CARE revaluation

All deferred benefit members have had their 2020 pension increase applied into their benefits, in preparation for their deferred benefit statements to be produced

CARE revaluation will be applied to active members benefits, in preparation for their active benefit statements to be produced.

Risks and Mitigations

TA talked about two types of risks:

Insufficient resources to comply with regulatory responsibilities – Mitigation action is to work closely with the administration team and Fire Service on the response to the Scheme Changes and the recourse impact.

Cybercrime resulting in personal data for members being accessed fraudulently – Mitigation action includes strong IT environment for administration system and web-based Portals.

6. Confidential Items for discussion

None to be reported.

7. Training Schedule Review

Action – Each individual can check where they are at with their frequencies of their training and keep SG updated.

Action – TA to keep signposting people with comms specifically in Immediate Detriment.

8. Date of Next Meeting and Agenda Inclusions

The next meeting of the Board will be held on Monday, 27 September 2021 at 11.30 am.