

Meeting of the Board 11 June 2020

LGA Update

Introduction

1. This paper provides an update to the Board on the role and activity of the LGA Firefighters pension team in addition to supporting the Scheme Advisory Board (SAB).

LGA

2. LGA is a politically-led, cross-party organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government.

LGA Pension Team

3. The Firefighters' Pension Schemes (FPS) are locally administered, meaning that responsibility for the schemes is divided over 45 Fire and Rescue Services (FRAs) and administered by 18 administrators. Responsibility to comply with over-riding pension legislation is on each FRA, and they are defined in law as the scheme manager¹.
4. Until 2014, there were no central support services for FRAs with regards to pensions. In 2014 as a result of a collective agreement by FRAs, they agreed to fund a post within the pensions team at LGA to support FRAs with their understanding and management of the FPS, and to represent scheme managers at a national level.
5. The SAB² has a role to provide advice to scheme managers and local pension boards, however, it does not have a role to centrally manage the scheme or to provide employers with advice.
6. This service³ has been developed by LGA bringing the management, governance and administration of the FPS together to ensure that FRAs and their stakeholders are provided with the necessary specialist advice, communication materials, training and information to enable them to discharge their duties and achieve excellent standards in all areas related to the above pension schemes and compensation scheme matters. Such elements are in addition to supporting the SAB, and the technical advice role as it was first envisaged in 2014.

¹ Scheme Manager [Factsheet](#) produced by LGA

² <http://www.fpsboard.org/index.php/about-the-board>

³ More information about the service provided by LGA is attached.

7. The pensions team sits alongside our [FRS workforce](#) colleagues to represent employers' interests to central government and other bodies on Firefighters' Pensions policy.

Workstreams

8. This is a wide and varied role and we work across various [stakeholders](#) and on a number of workstreams in order to deliver that service.

National Employers

9. Our role is to work closely with the national employers to supply expert subject matter advice on pension implications. Often an employment law question may have a pension consequence.

10. We ensure that the national employers are sighted on pension issues for

- 10.1. The Sargeant legal judgment, for which employers are listed as a respondent.

- 10.2. [Matthews](#), the firefighter case for the same issue as [O'Brien](#), where fee paying judges who had been deemed to be part time were allowed into the scheme from 2000 in line with the part time workers act, successfully challenged the start date of 2000, and it was agreed that they should be allowed into the scheme from the start date of employment.

- 10.3. COVID-19 resilience issues, we ensure that the national employers are sighted on any pension implications as a result of employment policy to ensure enough resilience to the service as a result of Covid-19.

Technical Queries

11. As a locally administered scheme, Responsibility to comply with over-riding pension legislation is on each FRA in accordance with their interpretation of the scheme and to obtain legal advice where they consider this is necessary. Only a Court can provide a definitive interpretation of legislation.

12. However in order to bring consistency and knowledge together for FRAs, the LGA pensions team provides a technical query service for FRAs to [submit queries](#). Answered queries are then updated into the [technical query log](#), which is updated and published each month with the bulletin.

COVID FAQs

13. The [paper](#) provided to the Board provides an update on the work that LGA has done during the pandemic to ensure the smooth running of the pension scheme.

Political leaders

14. FRAs are politically led organisations who are the employers. Our role is to work closely with the political leaders to ensure that the Fire Services Management Committee (FSMC), the Fire Commission, and Elected Members are aware of pension implications and the duties of the employer with regards to the pension scheme.

Engagement with Chief Fire Officers

15. While FRAs have responsibility for the scheme, Chief Fire Officers are often the delegated scheme manager.

16. We ensure that through LGA and National Fire Chiefs Council (NFCC) Chief Fire Officers are made aware of their role of managing the Firefighter pension schemes.

Annual Benefit Statements

17. LGA supports the production of the annual benefit statement, by providing a [template and notes for the annual benefit statements](#). The statements have been reviewed and awarded the [Plain English crystal mark](#), and will be reviewed periodically.

Communications

18. LGA maintain and develop communications written for a variety of administrators, employers, practitioners and members which have improved the quality and consistency of scheme administration by communicating guidance, providing technical support and implementing processes, leading to reduced FRA costs by reducing duplication.

19. Work on communications includes:

19.1. LGA updates and maintains two highly regarded websites www.fpsregs.org and www.fpsboard.org.

19.2. A library of resources for practitioners only, which includes resources on matters such as pensionable pay and ill-health.

19.3. The monthly [bulletin](#) is the main source of information available to practitioners and is published on the last working day of the month. The [subject index](#) allows for easy reference on topics included in the bulletin.

19.4. A new resource being developed is a selection of videos that can be accessed and watched by practitioners.

19.5. In order to meet the EU accessibility directive for websites and mobile applications, which means that websites will have to meet common

accessibility standards, LGA have undertaken training on writing accessible documentation and are working to ensure the websites comply with this directive.

Keeping in touch

20. As locally administered schemes, LGA runs a [network of forums and groups](#) to ensure that FRAs can share best practice and provide peer support.

21. These groups include;

21.1. Coffee mornings, this is a recent development to support the remote working environment currently in place across the country. This offers an informal opportunity for practitioners to meet with each other and provide peer support.

21.2. Regional Groups, these groups enable the sharing of information, expertise and knowledge amongst the six regional groups across the UK (including the devolved Fire and Rescue services). These meetings are held quarterly and LGA attend each meeting to provide an update. These meetings are continuing virtually and recently we have facilitated or attended these meetings through Zoom and MS Teams.

21.3. Firefighters Pensions Technical Community, the technical group meet three times a year to enable the effective facilitation of the administration of the FPS. The chair of this group is also technical adviser to the SAB.

This group is used to achieve consensus over technical issues, and or escalate a request for further guidance via the SAB and we are currently preparing for the next technical meeting.

21.4. Fire Communications Working Group (FCWG), this is a collaborative forum, who meet on a quarterly basis to develop items of communication, primarily for scheme members. We are currently preparing for the next meeting and will be utilising this group to consider the draft template administration strategy as referred to in paper 6, item 14.1.

Training and Events

22. LGA provides a wide range of training sessions and events which can be accessed by all stakeholders including the devolved countries. All event information is available on the drop-down tab available [here](#).

23. We are currently planning the first virtual event of the year, which is our annual [Local Pension Board Wrap Up Training](#). We are further considering how to tailor our usual offer of annual events across a virtual landscape in the short term.

24. The team engages across public sector pensions, and attends meetings such as;

24.1. Public sector pensions forum (PSPF), this is a cross public sector group of administrators to consider technical issues such as club transfers, GMP revaluation, public sector reform policy.

24.2. Public sector software engagement group (PSSEG), this is an engagement group for payroll software in public sector.

24.3. Cross Government Public Services Pensions McCloud Administration, this group considers the practical administrative implications of McCloud rather than policy decisions.

25. The wider LGA pension team encompasses The Local Government Pension Scheme (LGPS), The Teachers' Pension Scheme and the Police Pension Scheme.

Engagement with TPR

26. The wider LGA pension team has bi-annual meetings with TPR to look at governance across the public sector.

Software providers

27. There are two software suppliers for the FPS: Aquila Heywood and CIVICA. A list of FRAs, their administrators, and their software suppliers is available [here](#). LGA attend meetings of the software supplier and they are invited to attend the technical groups. LGA have also provided training to the software suppliers and ensure that they are kept up to date as part of the engagement groups on remedy.

Administration procurement

28. As detailed in [paper 6](#), procurement routes for FPS administration are limited.

29. Currently the only procurement options are:

29.1. To delegate through public sector; this limits any opportunity to compare providers for value.

29.2. OJEU full tender; this is time consuming and expensive.

29.3. The national LFPS framework which offers a lack of competition as there is only one provider, and as the name suggests is geared for the LGPS market.

30. These procurement difficulties mean that it is difficult for FRAs to properly assess the market, and there is limited opportunity for interested parties to bid for the tender.

31. LGA is discussing with the [National LGPS Frameworks](#) what opportunities exist to create an FPS administration framework. Any opportunities for a joint national procurement framework for public sector administration are also being discussed with the cross government public services group.

Engagement with the Home Office

32. LGA have regular meetings with the Home Office who represent Firefighter pensions at government meetings. Unlike the centrally administered schemes, the government department is not the scheme manager, however, because the scheme manager for the FPS is also the employer, HMT do not allow LGA to represent scheme managers at government meetings such as MOCOP and the central McCloud steering group.

ALAMA engagement

33. LGA have been in touch with Association of Local Authority Medical Advisers ([ALAMA](#)). ALAMA is a member organisation, of which Independent Qualified Medical Practitioners (IQMPs) used by FRAs to assess medical conditions for ill-health and injury are often members.

34. Benefits of ALAMA membership include a library of resources and we have offered to share our ill-health and injury resources with ALAMA as well as provide training on the schemes. This should improve the general understanding of the FPS by IQMPs.

35. The long term aim of this engagement with ALAMA is to review the IQMP guidance and ill-health forms once more information on remedy is available.

Devolved Fire, Scotland, Wales and Northern Ireland

36. The service provided by LGA includes the devolved countries, and LGA attends SAB and pension board meetings as well as providing training on request.

Police

37. In 2017, the National Police Chiefs Council (NPCC) appointed a pensions adviser seconded to LGA to ensure shared knowledge and expertise of the public sector pension schemes. Several the events run by LGA have been shared between Fire and Police where relevant to bring cost savings and shared knowledge.

38. This shared working has been useful to consider the consequences of remedy to the shared stakeholders across Fire and Police.

Software and Administration Working Group (SAWG)

39. LGA and NPCC facilitate this shared working group to consider age discrimination remedy.

40. This group will consider information gathering, oversight of the deliverability of remedy proposals, what guidance will be necessary and enable preparation work if possible.

Board action

41. The Board are asked to note this paper.

Board Secretary
June 2020