



Actions and agreements

24 March 2022

Location: Smith Square, London

PRESENT

Joanne Livingstone	SAB Chair
Philip Hayes	Scheme Member Representative (FRSA)
Brian Hooper	Scheme Member Representative (FBU)
Matt Lamb	Scheme Member Representative (FBU)
Pete Smith	Scheme Member Representative (FBU)
Mark Rowe (sub)	Scheme Member Representative (FBU)
Des Prichard	Scheme Member Representative (FLA)
Glyn Morgan	Scheme Member Representative (FOA)
Cllr Nikki Hennessy	Scheme Employer Representative (LGA)
Cllr Roger Phillips	Scheme Employer Representative (LGA)
Cllr Roger Hirst	Scheme Employer Representative (LGA)
Cllr Ian Stephens	Scheme Employer Representative (LGA)
Helen Scargill	Technical Adviser
Craig Moran	First Actuarial
Rob Fornear	GAD
Claire Hey	LGA – Board secretariat
Claire Johnson	LGA – Firefighter Pension Advisor (Minutes)
Frances Clark	Home Office
Arabella Gordon	Home Office
Jane Marshall	Legal Adviser
Ian Hayton	NFCC (Observer)
Elena Johnson	Leicestershire County Council (Observer)

1. Apologies and conflict of interest

- 1.1 Apologies received from Alan Wilkinson, Karen Gilchrist, Josh Goodkin, Helen Fisher, Cllr Roger Price, James Allen, Cllr Leigh Redman, Cllr Nick Chard, and Anthony Mooney.
- 1.2 Joanne Livingstone (JL) welcomed Arabella Gordon (AG) from the Home Office who was joining the meeting for the first time.
- 1.3 JL and Claire Hey (CH) welcomed Elena Johnson (EJ) from Leicestershire County Council who will be joining the LGA team in May as Firefighters' Pension Scheme Adviser, focusing on governance matters.
- 1.4 It was confirmed that Claire Johnson (CJ) would be taking minutes
- 1.5 JL reminded members of the Board to declare if any new conflict has arisen. It was confirmed that there is no requirement for forms to be completed. No conflicts were declared.

2. Actions arising and Chair's update

- 2.1 JL confirmed that the minutes from the meeting held on 9 December 2021 are yet to be finalised. These will be provided as soon as possible.
- 2.2 JL suggested that actions arising be covered under item 12 to avoid duplication.
- 2.3 JL provided the Board with a Chair's update and confirmed the following:
 - 2.3.1 The SAB has now received a reply from the Home Office in relation to the SAB's response to the remedy consultation which was submitted on 2 January 2022.
 - 2.3.2 JL had attended day 2 of the LGPS governance conference which was held on 20-21 January 2022 in Bournemouth

- 2.3.3 A joint meeting between the UK SAB chairs had taken place in February. The purpose of the meeting was to agree, where appropriate, to pool resources and collaborate. This was to ensure a consistent approach to the delivery of policy across the administrative areas.
- 2.3.4 There had been ongoing engagement with Barnett Waddingham on the fact checker and member scenarios. It was confirmed that the fact checker had been well received and that the member illustrations were imminent.
- 2.3.5 JL had attended the Pension Dashboard Programme (PDP) webinars which were hosted by DWP.
- 2.3.6 The SAB had provided a robust response to the DWP dashboard consultation. This was submitted on 11 March 2022.
- 2.3.7 The SAB had received a response on 23 March 2022 from HM Treasury (HMT) in respect of the letter which asked for further clarity around the risks to immediate detriment (ID) which resulted in the Home Office withdrawing their informal ID guidance. JL confirmed that the response had been circulated to members in advance of the meeting and that the topic would be covered later on the agenda.

2.4 Mark Rowe (MR) commented on how well received the fact checker had been and confirmed that it has raised some more questions which needed clarification. Both JL and CH confirmed that they would be happy for the questions to be fed in and would discuss what further action is needed.

3. Home Office update

3.1 Frances Clark (FC) and AG provided a brief update on McCloud/ Sargeant remedy, the Finance Act 2022, the SCAPE discount rate, and legal challenges on ID throughout the public sector.

- 3.2 FC confirmed that the prospective regulations for the McCloud remedy had now been laid. These will come into force on 1 April 2022. The SAB was thanked for its useful response to the consultation.
- 3.3 FC confirmed that the focus will now shift to retrospective legislation, which is anticipated to be more complex. The Home Office is currently working on fire specific policy which will then be used to provide drafting instructions.
- 3.4 FC added that Home Office tends to receive central policy which agrees the parameters that should be worked within. It is the role of the Home Office to make the documents scheme specific and fit for purpose.
- 3.5 The Home Office is expecting a pack (approx. 80 per cent) of HMT approved Provision Definition Documents (PDDs) by the end of March.
- 3.6 FC confirmed that the Home Office should be able to share some thoughts with the SAB in the coming months. This would be ahead of the public consultation which is expected later this year.
- 3.7 Cllr Roger Phillips (RP) raised a concern about the consultation; specifically allowing for adequate time to consult.
- 3.8 FC confirmed that the SAB would be able to see the documents prior to public consultation and that the consultation will run for the time agreed in statute.
- 3.9 JL asked at what stage the regulations would be drafted as this is when issues are more likely to arise. FC confirmed that the Home Office is taking an incremental approach and working on what policy they can. However, it was noted that the PDD process had been subject to delay.
- 3.10 FC confirmed that the Finance Act 2022 had received Royal Assent and that Section 11 of the Act enables the changes needed to tax legislation; the precise detail of which will be provided by HMRC via an amendment to their regulations. This is expected in Spring 2022 and will be followed by a public consultation.

- 3.11 Cllr Ian Stephens (IC) also expressed concern over the timescales, stating that meaningful consultation is time-bound.
- 3.12 AG confirmed that there was no substantive update on the SCAPE discount rate consultation. It was confirmed that the consultation has closed, and that HMT is reviewing responses. AG added that the consultation was only looking at the methodology, following which the rate itself will be reviewed.
- 3.13 Rob Fornear (RF) added that the 2020 valuation cannot begin until the rate has been set.
- 3.14 FC confirmed that some other public service pension scheme (PSPS) challenges have been brought in respect of ID. Unfortunately, the Home Office is not fully aware of all the details and therefore could not provide further comment. FC added that the SAB has now received a response to the letter sent to HMT in December 2021. This should hopefully give more clarity on the current position.
- 3.15 JL commented that the Fire SAB need to be sighted on other schemes' decisions in respect of ID to ensure consistency and transparency.
- 3.16 RP added that the Board welcomed the Home Office's engagement and their open and transparent update. FC added thanks to the LGA team and Helen Scargill (HS) for their efforts with the PDDs.
- 3.17 JL referred to an announcement on McCloud in the Spring budget statement. FC could not comment, however, agreed to speak with HMT colleagues for an update.

4. Cost control valuation 2016 results: verbal update (GAD)

- 4.1 RF attended to give a brief update on the final cost control valuation. RF confirmed that the results remain as presented to the Board in March 2021.

- 4.2 RF advised that the 2016 valuation has now been finalised and will be published imminently on the GOV.UK website.
- 4.3 RF gave a summary as to why the valuation has taken so long. Members were reminded that the valuation was paused in 2019 due to uncertainties regarding the McCloud judgment. It was then un-paused in 2020 so that the valuation could be updated to include the effects of remedy.
- 4.4 RF confirmed that, once the implications of McCloud were considered, this caused an upward pressure on the scheme which resulted in a ceiling breach of 14.6 per cent.
- 4.5 RF added that, although a ceiling breach would ordinarily result in changes to the scheme, this should not be a concern to members as the Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) makes a provision for all ceiling breaches to be waived. FC confirmed that there is a section within the PSPJOA 2022 which provides for this.
- 4.6 Des Prichard (DP) thanked GAD for its helpful and clear report and commented on how reader friendly it is. RF confirmed that GAD has done a lot of work to make the report more user friendly and thanked DP for the feedback.
- 4.7 DP added that the report highlights the criticality of the SCAPE rate and that even a small increase can have huge implications for the employer costs. RF noted that the discount rate has less impact on the cost control mechanism.
- 4.8 DP said that the loss of firefighters over the last ten years has resulted in an increase in pensions and a reduction in income to the scheme. This is resulting in a perfect storm and the solution cannot be to load employer costs. DP commented that the Board should communicate to the government on the sustainability of the scheme.

- 4.9 RF added that this was a significant point and that there were real pressures due to the sector having fewer active members and pensioners who are living longer.
- 4.10 JL confirmed that she expected the Home Office was aware of this issue, and that it adds to the complexity of the scheme.
- 4.11 RP confirmed that Emma Lawrence (Home Office – Fire Funding) had spoken at the LGA conference in Gateshead to confirm that the Home Office is looking to absorb the pensions grant into core spending power.
- 4.12 FC added that the Home Office is aware of the rising costs across all PSPS and that the policy and finance teams work closely to mitigate issues and come to conclusions.

5. Special members second options exercise (Matthews) ([Paper 1](#))

- 5.1 Summarising the paper, CH confirmed that this issue has been brought about due to a legal case concerning the Judicial Pension Scheme, whereby a fee-paid judge challenged the right to buy back pensionable service to the beginning of their employment.
- 5.2 It was confirmed that a Memorandum of Understanding (MoU) was agreed by the FBU, FRSA, government and LGA on behalf of FRAs, on 9 March 2022. The MoU outlines the terms of the remedy.
- 5.3 CH confirmed that there is still one issue which remains outstanding, on the matter of aggregation. Both the FBU and LGA have asked FRAs to provide data on how many cases they have in their Authority. A deadline of 31 May 2022 has been given by the LGA.
- 5.4 HS asked whether this relates to employees who had concurrent or consecutive service. CH confirmed that it is consecutive service.

- 5.5 CH added that there would be a provision in the legislation to allow individuals who were not contacted by their FRA during the first exercise to apply for a remedy under the second exercise. The burden of proof lies with FRAs to evidence that the relevant correspondence was sent in the first instance.
- 5.6 CH also confirmed that there were several lessons learnt from the first exercise which will be taken forward into this.
- 5.7 CH added that the Home Office is working on the final policy which will be converted into regulations. Both the LGA and GAD are working closely with the Home Office and are being offered the opportunity to critique the policy intent.
- 5.8 Once final policy had been drafted, it will be subject to public consultation and when laid, FRAs will be given 18 months to execute the legislation.
- 5.9 CH highlighted that there were several challenges which have been captured in the paper, however where possible, mitigations have been put in place. CH added that the LGA is in a better position to assist stakeholders with the second exercise.
- 5.10 JL thanked CH for the update and asked the Board to consider the contents of the paper.
- 5.11 JL suggested that a working group on this topic would be useful and asked the Board to consider who should participate. JL added that the nature of the working group does not necessarily fit into any of the existing SAB committees.
- 5.12 HS raised a concern over workload for FRAs. It was noted that some FRAs have a small proportion of retained firefighters and therefore will not be hugely impacted. Whereas some FRAs are predominately retained and could have hundreds of members.

- 5.13 HS added that it would be useful to have adjustments to National Insurance contributions due to purchasing contracted-out service included in the GAD calculator.
- 5.14 DP commented from past experience that some FRAs struggle with data more than others. A general assumption was that smaller FRAs may have more retained staff, yet also have the least resource. DP suggested that the NFCC could offer some central support.
- 5.15 Ian Hayton (IH) will bring this issue up with NFCC colleagues. IH added that the working group should include representation from FRAs.
- 5.16 JL confirmed that the working group should be convened as soon as possible and volunteers from the Board were sought. JL confirmed that members would be nominated if no volunteers came forward. Philip Hayes (PH) volunteered to sit on the group.

**ACTION 24.03.2022 (5.16): Working group to be convened.
Volunteers sought from Board and its committees.**

- 5.17 RF confirmed that GAD's involvement in the project is three-fold:
- 5.17.1 Early engagement to minimise roadblocks.
 - 5.17.2 Formulating the calculator. RF confirmed that this is a substantial piece of work to support all membership types. Data is a key issue, as is selecting suitable assumptions.
 - 5.17.3 Establishing the costs within scheme valuation, potentially in 2028. RF explained that there would be a delay between the options exercise taking place and the costs coming through. RF confirmed that there are several unknowns including the take-up rate.
- 5.18 HS asked whether Matthews data requirements would be factored into the 2024 valuation specification. HS would like to see what is needed in advance so that systems could be configured.

- 5.19 Craig Moran (CM) queried the average take-up rate last time and suggested that this data could be used to make an assumption. RF confirmed that it was approximately 20 per cent. It is expected to be higher for the second options exercise as members are likely to be older and therefore able to benefit from paying contributions from their retirement lump sum. HS added that the ability to buy back extended service, prior to July 2000, is likely to make it more attractive so also expected the percentage to increase.
- 5.20 RF stated that increased take-up is likely to increase employer rates, but this would be determined by HMT Directions.
- 5.21 PH asked what the member payment options would be and whether there would be an option to defer payment to retirement. HS confirmed that the members were allowed to pay by one-off lump sum or periodic contributions in the first exercise. If a member elected to pay by periodic contributions and retired, only then could the remaining balance be taken from the lump sum. Deferred members could repay by standing order or choose to stop their periodic contributions and receive a pro-rata benefit.
- 5.22 HS recommended that the legislation should allow all members to be able to curtail their contract early and settle by lump sum, thereby saving on interest due.

6. Home Office consultation response ([Paper 2](#))

- 6.1 CH summarised the paper which gave members an understanding of the Home Office's response to its recent consultation on prospective remedy.
- 6.2 CH confirmed that the Home Office has legislated for the provision of an underpin for ill-health cases which are 'in train' on 31 March 2022. In addition, it was also confirmed that members who are currently purchasing added years under their legacy scheme will be able to continue with those contracts post 1 April 2022.

- 6.3 CH suggested that members may wish to consider things that fall out of scope of the consultation. CH added that there had been a lot of discussion around contingent decisions and confirmed that Section 25 of the PSPJOA 2022 does allow a provision for this.
- 6.4 CH asked members whether they felt the need to go back to the Home Office on any points and suggested that the Board prepare an acknowledgement letter.
- 6.5 CH added that the action log makes reference to the formulation of an ill-health working group and asked members whether it was now appropriate to convene such a group.
- 6.6 IH asked whether there would be any guidance on the application of the ill health underpin. CH confirmed that the Home Office had specifically left flexibility within the regulations for FRAs to work with. IH commented that there would be a need for consistency.
- 6.7 Jane Marshall (JM) acknowledged that there would be a varying approaches across the sector.
- 6.8 MR commented that, although the underpin is helpful, the overall issue had not been addressed. There has been no assurance over the index event which, in cases such as PTSD, may not manifest for several months/years. MR stated that allowing members to retire at age 55 with an actuarial reduction is not an acceptable solution. MR added that this should be addressed through the working group.
- 6.9 Glyn Morgan (GM) confirmed that certainty was required as the flexibility that the Home Office has given is inconclusive and leaves FRAs open to challenge. GM added that the Board cannot issue any guidance with legal standing.
- 6.10 JL agreed that it was now appropriate for a working group to be formed and that clarity was needed on the cut off point for 'in train' cases.

ACTION 04.10.2018 (5): Cross-sector working group to be progressed in light of Home Office consultation response on prospective remedy. Volunteers sought from the Board.

- 6.11 HS asked Home Office colleagues whether it was their intention to update the Compensation Scheme regulations as they do not seem to interact correctly with the FPS 2015. FC confirmed that this would be investigated.
- 6.12 Matt Lamb (ML) raised a point about contingent decision claims and asked who would make the decision. If it was to be a scheme manager, then consistency would be needed. CH confirmed that contingent decisions would be tabled for the Board's meeting in June.
- 6.13 JL confirmed that the Board will write to the Home Office to thank them for their detailed response. The letter will include reference to the points discussed and will also highlight the discrepancy of the retirement factors of the FPS 2006.

ACTION 24.03.2022 (6.13): Board chair to draft letter and share with SAB before submission.

- 6.14 FC commented that the Home Office is looking at this discrepancy, however, there are valid reasons behind the policy.

7. FPS 1992 Scotland commutation ([Paper 3](#))

- 7.1 CH summarised the paper which gave members an understanding of the recent legislative change to the FPS 1992 in Scotland.
- 7.2 CH confirmed that, in March 2022, Scotland laid regulations which removed the provision of restricted commutation for members of FPS 1992. This means that should a member retire from age 50 with more than 25 years' pensionable service, but before attaining 30 years' pensionable service or age 55, the member will no longer be restricted to 2 and a quarter times pension for their commutation. Instead, they will be allowed to commute the full quarter.

- 7.3 CH added that the changes were consulted on by SPPA on behalf of the Scottish government, who is both the responsible authority and scheme manager for the Scottish FRS. The changes mirror similar changes that were made to the Police Pension Scheme in Scotland. CH noted that colleagues from SPPA were unable to attend the meeting to provide background on the policy decision.
- 7.4 In advance of the SAB, CH asked the Home Office for an informal view as to whether there are any plans to make similar provisions to the FPS 1992 in England. The Home Office confirmed that there are a number of substantive differences between the management and governance of the FPS in England and in Scotland, including different funding arrangements.
- 7.5 CH added that FRAs in England have had the discretion to pay a lump sum in excess of two and a quarter times the full amount of the pension under regulation B7(5A)3 since 2013. If an FRA chooses to use this discretion, an amount equal to the difference between the restricted and unrestricted lump sum has to be paid by the FRA into the pension account.
- 7.6 CH welcomed views and suggestions from the Board.
- 7.7 MR believes that the removal of the commutation cap in Scotland could potentially give rise to age discrimination between the devolved administrations if it continues to apply in England. MR added that it is the view of the FBU that the FPS 1992 (England) should be amended to reflect the change applied to members of FPS 1992 (Scotland).
- 7.8 JL noted that any response or action the SAB takes should be done with the support of both employer and employee representatives. Members should consider the full implications of the regulatory amendment. JL expressed concerns about members taking large cash lump sums at a relatively young age, which may result in them losing out on continuing retirement income.

- 7.9 GM commented that the amendment was agreed in Scotland with little debate. GM suggested that scheme members may feel trapped by their pension arrangement and an unmotivated workforce could be detrimental to the FRA.
- 7.10 CM added that members would not be able to activate this option unless they had 25 years' service, which he thought could still provide a significant pension after commutation.
- 7.11 RH asked whether the decision was underwritten by Scottish government and whether any assessment of costs had been undertaken. RH commented that the amendment would increase both employee and employer costs in the future if it was loaded to the scheme.
- 7.12 CM commented that from an actuarial point of view, this would be broadly cost neutral to the scheme due to the cost-neutral cash commutation factors.
- 7.13 RF clarified that it would bring forward cash expenditure and therefore presents more of an immediate cashflow issue for FRAs, as any changes would mean that the member is accessing more lump sum immediately. RF suggested that the Board may want to consider the quantum of members affected.
- 7.14 RP acknowledged that the Board does not want FRAs to attract future legal challenge, however, robust consideration of the revenue implications would be needed before any recommendations for change are made.
- 7.15 DP commented to remind Board members that the purpose of the SAB is to provide information not advice. JL added that it is not the role of the Board to lobby for early retirement.

- 7.16 HS reminded the Board that commutation is optional for scheme members. Experience at WYPF shows that a member does not always commute the maximum available.
- 7.17 IH acknowledged that the principle was already in the regulations, however, the Board could seek more understanding of the implications around funding, workforce, and members before a formal letter is submitted.
- 7.18 GM added that it would be useful to defer this matter until more data is available from Scotland.
- 7.19 JL confirmed that it would be useful to wait for more information before taking further action and members should be provided with a holding response to queries until that time.
- 7.20 MR asked JL to seek more information from SPPA on their decision-making process. JL agreed to this request

ACTIONS 24.03.2022 (7.20)

- **JL to liaise with SPPA over decision making process.**
- **To commission GAD, either directly or through the Home Office, to provide assumptions on take-up rate and cost implications for FRAs.**

8. Update on remedy tools procurement (Paper 4)

- 8.1 CH summarised the paper and provided members with an update on the current position of the member scenarios and an update on timings for procurement of videos which has resulted in a change to the specification.

- 8.2 CH confirmed that Barnett Waddingham was appointed to provide a pension fact checker document and member illustrations. The fact checker was issued in February and has been well received. The SAB Wales (SABW) was particularly impressed and asked whether a Welsh version could be commissioned.
- 8.3 CH added that it was intended to provide the member illustrations in early March, however, the work had been more complex than initially thought which caused an inevitable delay. CH confirmed that the illustrations were now in the final stages and should be provided by 1 April 2022.
- 8.4 In addition to the factchecker and member illustrations, CH reminded members that the Board had previously agreed to the procurement of two videos.
- 8.5 CH added that, due to the timings involved in the procurement process, and the estimated delivery timescales of around eight weeks, it was not possible to secure these resources before 1 April 2022.
- 8.6 CH confirmed that a paper was presented to the Fire Communications Working Group (FCWG) on 1 March 2022 to seek views from the sector on providing a video solely on transitional benefits. Differing opinions were received from the group. While the majority were in favour of providing videos, concern was raised over value for money and repetition of information that had already been provided in other formats.
- 8.7 A particular concern was raising member expectations of providing multiple videos to cover a wide range of topics and whether budget would be available for this. For example, the videos commissioned by the LGA for the Local Government Pension Scheme cover issues such as pensions tax, transfers, and death benefits.
- 8.8 Board members were asked to provide their views on the topic and whether they still felt that this is a valuable project.

- 8.9 DP raised a question about cost and asked whether it was to come from the SAB budget and whether any provisions had been made. CH confirmed that the costs would come from the SAB budget and that budget for two videos had been ringfenced.
- 8.10 RP asked whether there would be functionality for the SAB to monitor how many views the videos received. CH confirmed that this was possible and that 'hits' could be monitored.
- 8.11 HS added that the videos would be a valuable resource for members. Experience shows that some members prefer to receive information via video rather than in written form. This additional resource may stimulate more interest in the subject.
- 8.12 IH commented that the sector would welcome all tools available to increase engagement on pensions. IH suggested that a dedicated communications plan for remedy should be in place.
- 8.13 JL asked about the content and added that pensions are a complicated topic, therefore references to further information would be needed. CH confirmed that the first video would focus on transitional protections.
- 8.14 Roger Hirst (RH) felt that it would be possible to cover sufficient material within a 90 second pictorial video.
- 8.15 DP asked HS whether a video would add value to members. HS agreed, noting that there is evidently still a lack of understanding and knowledge on the subject.
- 8.16 MR added that content would be key and that the videos should use infographics to stimulate the viewer's interest. GM supported the new recommendation to procure a single video.

ACTION 30.09.2021 (5.26): Procurement to proceed for a single video which will inform members about transitional benefits.

9. 2015 Remedy update (Paper 5)

- 9.1 CH summarised the paper which provided the Board with updates on several workstreams in relation to the age discrimination remedy.
- 9.2 CH advised that since the last SAB meeting, stakeholders have been provided with new communication materials such as a factsheet on opting out, the FPS 2015 fact checker, and that the illustrative member scenarios will be provided shortly.
- 9.3 CH added that it was the LGA's intention to provide wording for FRAs to use to notify former protected members of some key features which, as a new member of FPS 2015, will now be applicable to them.
- 9.4 CH highlighted an issue which was raised at a recent Fire Technical Working Group (FTWG) meeting whereby some members who joined FPS 2006 on or after 1 April 2012 were incorrectly awarded transitional protection. CH assured the Board that the numbers were minimal, and that remedial work would be taken to address this issue.
- 9.5 CH confirmed that the FTWG had tried to agree a consistent approach to benefit statements for 2022 annual benefit statement (ABS) production, however, some administrators were reluctant to provide projections for former protected members to age 60 on a CARE basis.
- 9.6 CH suggested that ABS for 2023 could be suppressed to avoid sending non-remediable statements. HS was concerned that this could have implications for pensions dashboards.
- 9.7 HS raised a question about the timing of remedial service statements (RSS) and how this interacts with ABS. For example, the PSPJOA 2022 confirms that RSS must be provided with 18 months of 1 October 2023. It is therefore unclear as to whether ABS should be sent for 2024.
- 9.8 CH commented that this query has been raised HMT on the cross-Whitehall technical query log.

- 9.9 CH confirmed that the two software suppliers will be invited to the June meeting to give the Board an update on their plans for retrospective remedy.
- 9.10 CH noted that there had been some difficulty in some cases engaging with the suppliers to date. It was asked whether paragraph 15.5 of the confidential paper could be shared where relevant. CH confirmed that this was possible.
- 9.11 CH added that the commercial information was required from suppliers so that there was assurance that software costs were proportioned fairly across the fire sector, given that any funding grants are allocated to FRAs based on size. HS suggested that administrators could share this information directly with the LGA.
- 9.12 JL suggested that when the software suppliers are invited to the June meeting, they should be asked to provide full transparency over costs and apportionment.

ACTION 24.03.2022 (9.9): Invite software suppliers to present at June meeting.

10. Dashboard consultation response ([Paper 6](#))

- 10.1 CH summarised the paper which confirmed that the Board had submitted a joint response with SABW.
- 10.2 CH highlighted the main pressures for the fire sector and summarised these as:
- 10.2.1 Capacity considering retrospective remedy and pressures of Matthews.
- 10.2.2 Availability of the McCloud data at April 2024.
- 10.2.3 Size and definition of the scheme.
- 10.2.4 Value that dashboards will have for the pension saver.

- 10.2.5 Clarity over projections and definitions of Normal Pension Age.
- 10.3 CH confirmed that for the reasons highlighted above, the Boards' response stated that it is doubtful that the deadline of April 2024 is achievable and has asked for staging to be delayed until April 2025. CH said that the response had been picked up by the pensions' press who had noted the Board's robust position.
- 10.4 RP agreed that a robust response was needed as value to the member is key. ML added that accuracy is vital and asked how members would be able to obtain information in the meantime. ML asked if this presented a resource risk to administrators.
- 10.5 HS confirmed that WYPF is providing estimates for members who are eligible to retire in the next 12 months. ML asked whether this was similar for other administrators. HS confirmed that some are refusing to process estimates post 31 March 2022.
- 10.6 JL commented that staging to the dashboard does not necessarily mean that data will be available. JL expressed disappointment at the six-week timescale for responding to the consultation.
- 10.7 FC confirmed that the Home Office is aware of the challenges and is supportive of the SAB position. The department will endeavour to push back on the proposed staging date.

11. Abatement – TPO Determination ([Paper 7](#))

- 11.1 CH summarised the paper which confirmed that a recent Pension Ombudsman (TPO) determination in respect of abatement was partially upheld. TPO determined that the FRA did not follow reasonable process when assessing whether the pension should be abated.
- 11.2 CH added that a legal view was requested from Jane Marshall and information on next steps was shared with FRAs in [FPS Bulletin 54 – February 2022](#). Comments were invited from the Board.

- 11.3 HS asked whether TPO gave any indication as to what constitutes exceptional circumstances.
- 11.4 JM said that it is not about what TPO believe is exceptional, as this decision sits with the FRA. The problem with the recent determination is that no consideration was made by the FRA; a blanket policy was applied, so there was no room for discussion. JM added that an FRA should consider each case individually and clearly document the decision and rationale.
- 11.5 RH added that this could be a difficult conversation to have when the person has the skills needed to fulfil a particular role.

ACTION 17.09.2020 (5.3): Abatement guidance to be updated to reflect TPO determination, then to be published and circulated.

12. Action Summary: verbal update

- 12.1 CH provided a brief update on actions which have been added to the summary or progressed since the last meeting:

DATE	ACTION	OUTCOME
04.10.2018 (5)	LGA to establish working group on behalf of SAB to consider ill-health regulations and processes	24.03.2022 Consider how to progress this action now in light of Home Office consultation response on prospective remedy.
03.10.2019 (7)	Future of pensions administration: More information to be sought via consultation on the marketplace and risk.	09.12.2021 Tabled under Item 7. Sub-actions (2) and (3) completed. (4) Secretariat to provide each FRA copy of own results highlighting areas for improvement. 24.03.2022 Sub-actions 1 (admin survey) and 4 completed

DATE	ACTION	OUTCOME
17.09.2020 (5.3)	Secretariat to obtain a legal view on outstanding abatement queries to incorporate into the draft guidance.	09.12.2021 Draft guidance tabled under item 6. Guidance approved for publication. Item to be closed. 24.03.2022 Guidance paused in light of TPO determination. Paper tabled under item 11. Item to be closed once guidance issued.
18.03.2021 (4.1.40)	When appropriate, cost-effectiveness committee to undertake review of report commissioned by the Home Office from GAD, on use of original 2016 assumptions for recalculation of the cost cap cost including McCloud.	24.03.2022 Consider to progress or close this action now in light of final cost control valuation results.
24.06.2021 (6.26)	Board members are invited to provide comments by email in order for the SAB to write to both software suppliers with follow-up questions to remedy assurance presentations. Secretariat to liaise with providers on availability of presentations.	24.03.2022 Software updated provided under item 9. Providers to be invited to June 2022 meeting. Propose to close this item.
30.09.2021 (5.19)	Secretariat to pursue commissioning work on scenarios and personas to represent different member types and the impact that remedy may have on their benefits – via SMA committee.	24.03.2022 Update provided under item 4. Close item once scenarios issued.
30.09.2021 (5.26)	Secretariat to progress the procurement of videos to explain remedy.	24.03.2022 Update provided under item 4. Agreement needed to procure on revised basis.
09.12.2021 (5.23)	Chair to draft letter to HMT on withdrawal of HO guidance.	24.03.2022 Letter submitted to CST on 17 December 2021 and published on SAB website. Response received 23 March 2022.

- 12.2 GM volunteered to join the proposed working group to review the ill-health regulations and process.

13. Any other business and date of next meeting

- 13.1 CJ raised a concern around the contingent decision provision for optants-out.
- 13.2 CJ explained the LGA's understanding that contingent decisions only cover the remedy period (1 April 2015 to 31 March 2022). This means that should a member remain opted out beyond 1 April 2022 they may, under retrospective legislation, be given the option to buy back their opted-out service which occurred during the remedy period. However, it is unlikely that regulations will permit them to buy back service after 31 March 2022.
- 13.3 This would mean that the pension would remain deferred with a payment age of 60 for FPS 1992 and 65 for FPS 2006 (special members have a deferred payment age of 60), regardless of whether they buy back the opted- out service in respect of the remedy period.
- 13.4 The LGA intends to send out a communication to FRAs to highlight this issue so it can be shared with affected members. DP suggested that the tone of the message was important, as the final policy is yet to be determined.
- 13.5 Pete Smith (PS) expressed concern about FRAs being able to contact all affected members in the short time remaining until 1 April 202. CJ suggested that the scheme manager could have some discretion around individual members' circumstances.
- 13.6 On 23 March 2022, a response was received from HMT to the SAB's letter of 17 December 2021 requesting more information on the rationale for the withdrawal of the Home Office's informal guidance on ID. JL said that the response was somewhat helpful.

- 13.7 However, JL was not content that all of the questions raised had been addressed satisfactorily and further noted that the tone of the letter was inconsistent, varying between what the implications ‘would’ or ‘could’ be.
- 13.8 GM said that the response needed to be shared with stakeholders. MR commented that the letter provided a useful explanation of the perceived issues.
- 13.9 HS asked why tax relief has been identified as a potential blocker, as contributions have to be corrected if a member is put accidentally into the wrong scheme. CJ commented that it is because they have legislatively been put into the wrong scheme, whereas here, the member is deemed to be in the correct scheme, legislatively, until October 2023. RH commented that legislation is needed to correct a member’s tax position.
- 13.10 ML felt that it should be within the government’s gift to resolve any tax issues across the whole of public sector.
- 13.11 JM added that the Police have taken legal advice which states that immediate detriment cases cannot be settled without undue risk to the employee and employer.
- 13.12 JL, being aware of the existing Framework agreed between the LGA and FBU at the request of all UK FRAs, suggested that the letter could be used to potentially seek further advice on specific points that were raised and taken into account for any possible revisions to the Framework.

ACTION 24.03.2022 (13:12): To publish the HMT response with the next FPS bulletin on 31 March 2022.

- 13.13 Finally, JL noted that it was Brian Hooper’s last meeting as he retires in May. JL offered thanks for Brian’s contribution to the Board and best wishes for a long and happy retirement.
- 13.14 The date of the next meeting was confirmed as 23 June 2022. Board members were asked for views on a virtual or in-person meeting. Hybrid meetings are not felt to be an efficient solution.

13.15 GM stated that physical meetings encourage engagement from all parties. Broad agreement was reached to have two physical and two virtual meetings in the annual cycle. It is intended that the June meeting will be held at Smith Square.