



Actions and agreements

12 December 2024

Location: In person LGA Offices, 18 Smith Square, Westminster, SW1P 3HZ

PRESENT

Chair

Joanne Livingstone SAB Chair

Scheme Member Representatives

Philip Hayes Fire and Rescue Services Association (FRSA)

Mark Rowe Fire Brigades Union (FBU)

Tony Curry Fire Brigades Union (FBU)

Andrew Fox-Hewitt Fire Brigades Union (FBU)

Adam Taylor Fire Brigades Union (FBU)

Glyn Morgan Fire Officers Association (FOA)

Des Prichard Fire Leaders Association (FLA)

Scheme Employer Representatives

Cllr Price Local Government Association

Advisors to the Board

Helen Scargill Technical Advisor

Craig Moran First Actuarial – Actuarial Advisor (attended via Teams)

James Allen First Actuarial – Actuarial Advisor (attended via Teams)

Jane Marshall DAC Beachcroft - Legal Advisor

Secretariat

Tara Atkins Firefighter Pension Advisor

Sandra Sedgwick Firefighter Pension Advisor (minutes)

Jo Donnelly Head of Pensions

Home Office

Antony Mooney

Simon Primmer

Tom Appleyard

Government Actuaries Department

Michael Scanlon

Brian Allan

Invited Administrator Guest Attendees (for item 9 only)

Matt Mott West Yorkshire Pension Fund (WYPF)

Yunus Garja West Yorkshire Pension Fund (WYPF)

Devolved Governments

Karen Gilchrist SPPA (attended via Teams)

1. Welcome, Apologies and Conflict of Interest

1.1 The Chair, Joanne Livingstone (JL) welcomed everyone to the meeting and confirmed that Cllr Byrom, Roger Hirst and Cllr Hennessy had sent apologies.

1.2 Minutes of the previous meeting on 12 September 2024 were reviewed for accuracy.

1.3 Mark Rowe (MR) from FBU suggested the word “conflict” within section 1.5 of page 3 be amended, and the paragraph be appropriately re worded. JL said that the paragraph would be reviewed and amended accordingly.

1.4 MR highlighted a typo at 3.1 where the word “updated” should be “update”.

1.5 No new conflicts of interests had arisen.

1.6 ACTION – Secretariat to make amendments as per 1.3 and 1.4 and publish finalised minutes on the website.

2. Actions arising (12 September 2024) and Chair's update.

- 2.1 The Chair went through the action log of 12 September 2024. Key points of all the actions discussed were:
- 2.2 ACTION 3.5 - Secretariat took an action to update the members website, in collaboration with Home Office, to reflect the imminent consultation. ACTION - completed and is included within the FPS Members website on the [How much do I pay?](#)
- 2.3 ACTION 3.7 – Karen Gilchrist (KG) from SPPA to share their Scottish SAB paper with the English board. ACTION - Secretariat to share their copy from Scottish SAB meeting on 25 October.
- 2.4 ACTION 4.3 - Secretariat to update the RSS template to include both gross and net contribution adjustment – ACTION completed, and the template was published on the FPS regulations and guidance website in September.
- 2.5 ACTION 5.3 - Secretariat to circulate the board expenditure paper after the meeting for sign off. ACTION - complete papers were sent to the board following the meeting on 13 September 2024. The SAB levy was then sent to the fire minister on 20 September for approval, which was received on 12 November 2024. Chiefs were then sent the levy letter on 15 November 2024.
- 2.6 ACTION 6.5 - Secretariat to make the amendment to include the employer contribution rate and to review the induction material, if relevant, following the Budget, and then bring back to the board if needed, or publish accordingly. ACTION - LGA will publish this in the December FPS Bulletin.
- 2.7 ACTION 7.5 and ACTION 8.4 - Secretariat to liaise with Civica to establish what the issue regarding the 15 years limitation when trying to make a payment for Matthews eligible pensioner members, and if there is a relevant workaround and Civica to take away and investigate. ACTION – complete. Civica have confirmed that they issued a notice to their fire clients, which advised how to resolve the issue.

2.8 ACTION 8.7 – Heywood’s to provide assurance that their software does not have the same limitations as Civica (see Action 7.5 & 8.4). ACTION complete – Heywood confirmed that they can tell the system what the arrears are, their software does not rely on the system.

2.9 ACTION 9.2 - Secretariat to send out the invites for the next meeting cycle. ACTION - complete.

2.10 ACTION 9.5 Des Pritchard (DP) to review the terms of reference and report back at the meeting in December 2024. ACTION - complete and this will be covered in today’s meeting at Agenda item 6. JL thanked DP for his input.

3. Home Office update

Employee contribution rates review

3.1 Simon Primmer (SP) from the Home Office provided a verbal update on the member contribution structure consultation which is now live and will run until 29th January 2024. SP informed the board that the first of two engagement sessions took place on Tuesday 10th December. This was held virtually. SP reflected that this was a positive session, mainly attended by Administrators and Payroll teams. The main action for the HO was to provide more member examples ahead of the second session which is in-person at the LGA Offices in London on the 21 January 2025.

3.2 JL commented that although a paper had not been provided, she asked the board for their thoughts on how SAB would respond to the consultation.

3.3 MR suggested a one item board meeting. Due to board members limited availability, it was decided that this may not be possible within the timescales. JL proposed to create a first draft to be shared with the Board for comments ahead of the second engagement session and following receipt of the further GAD examples, with finalised comments being made following the session. ACTION Secretariat to liaise with the Chair regarding SAB response.

Update on Matthews policy considerations

3.4 SP confirmed that the Matthews policy considerations consultation will be going live in December, confirming a 10-week consultation period to allow for the changes to be implemented from April 2025. The HO welcome all to respond.

General

3.5 SP confirmed that the HO had met with the new fire minister to provide a briefing on fire pensions in particular the two major projects currently affecting Fire pensions - McCloud / Sargeant and Matthews.

3.6 SP provided an update in respect of the McCloud / Sargeant compensation process and confirmed that the second tranche of retrospective quarterly payments have been released.

3.7 MR asked the HO if they can provide SAB with an indication of the cost. SP responded that the HO may be able to bring this information to the next meeting. ACTION - SP to provide information on the cost of Age Discrimination Remedy compensation at the March SAB.

3.8 DP raised a concern that some members / FRAs appear not to be submitting cases, and questioned why and what the reason may be. DP asked if these FRAs are encountering problems and is there anyway SAB could engage with them to find out more?

3.9 Andrew Fox-Hewitt (AFH) from the FBU commented that he is aware of members who are struggling to understand the process. TA explained that conversations had taken place between LGA and FRAs to promote engagement and support to members.

3.10 JL commented that it would be beneficial for the Board to understand and support where possible. ACTION – Secretariat to reach out to FRAs to find out if they or their members are having difficulties and report back to the SAB.

4. GAD update

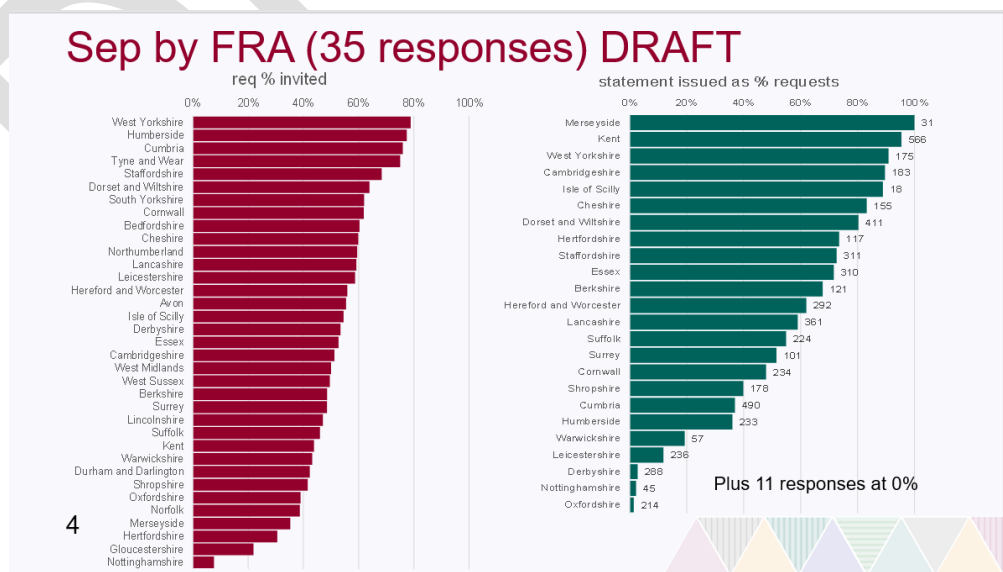
Matthews 2 calculator and manual cases process update

4.1 Home Office invited Brian Allen (BA) to provide an update on the Matthews.

4.2 Brian presented their slides and explained that although this data provides an insight, he added a caveat saying some FRAs are inconsistent in providing this information. Brian explained that in quarter to September 11 of the 43 FRAs had not returned their data.

4.3 The board discussed the statistics in detail and concerns were raised regarding the variations shown on the progress of FRAs. Brian explained that some FRAs are progressing more quickly than others, this can be governed by the date they started to process cases, resources and importantly the knowledge and expertise available to them.

4.4 The board felt that more understanding of these reasons for the variations would be beneficial and thought it would be good to reach out to FRAs. It was therefore discussed that additional information to establish how long ago invites and statements were sent out to determine non-response from members. **ACTION** – GAD to inform LGA of what additional information they wanted to be included within the quarterly return.



4.5 Mindful that the Matthews policy consideration consultation has not yet been released, SP posed a question to the board; he asked, based on the data shown today, would SAB expect that the Matthews 2 deadline will not be achievable. The board unanimously, answered yes, the deadline will not be achievable.

4.6 A discussion followed about the potential impact of the proposed extension especially where there is an interaction with the Sargeant exercise and those deadlines. Concerns were also raised in respect of the ageing profile of members and any death cases.

4.7 Brian provided an overview of the Matthews work stream to December 2024 and an outlook to 2025, explaining the calculator progress from October 2023 to date. Brian explained that following the Review of GAD Matthews Calculator (SAB March 2024) by First Actuarial, these recommendations will now be factored into the next version of the calculator due to be released later this month.

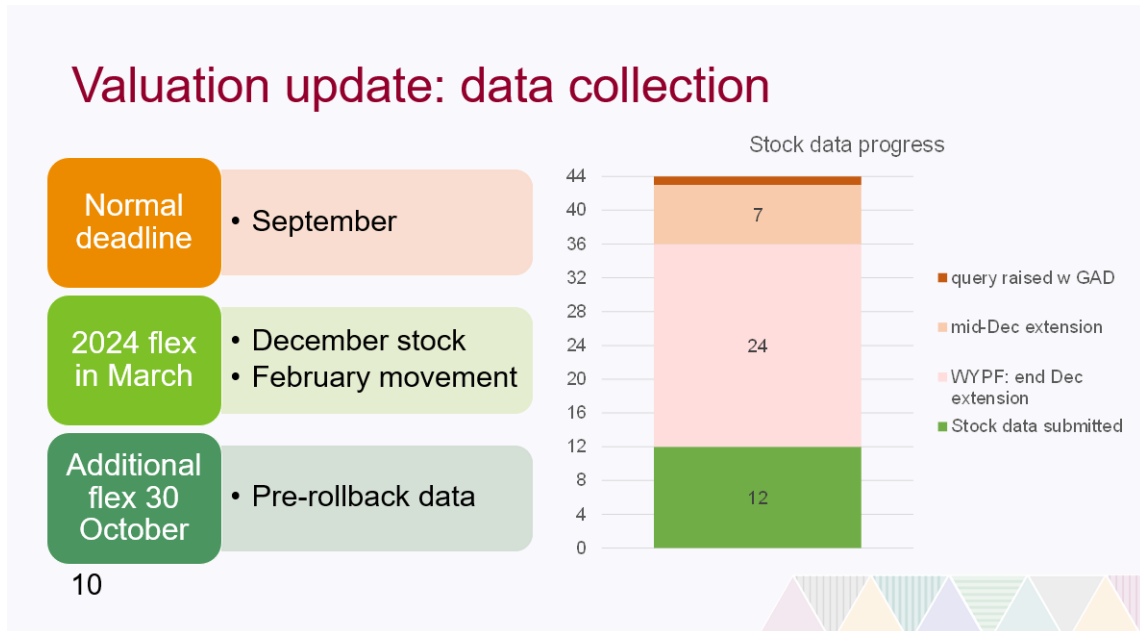
4.8 Brian acknowledged the major challenges FRAs have encountered processing these cases and the difficulties using the calculator. Being aware of the complexity of many cases, he provided assurance to the board that GAD would continue to provide their support in 2025.

MR commented that the FBU do not have access to the calculator but he believed employer members do have access. JL responded that although it was demonstrated at SAB and reviewed by the SAB's actuarial adviser, the calculator was not shared on a standalone basis with the SAB. Councillor members of SAB were not expected to have access to the calculator but this would depend on the permissions granted to the various areas of the website.

2024 valuation

4.9 Mike Scanlon from GAD provided an update on the 2024 valuation data collection. Explaining due to competing pressures, they had agreed to flex the deadline dates.

4.10 Craig Moran from First Actuarial asked how the last valuation estimates compare to the responses received. Brian explained it was too early to comment.



4.11 MS highlighted the outstanding issues and when they would be addressed.

- IC pensioners with unauthorised lumpsums – HO agreed for GAD to assist in providing guidance and examples
- Transfers – GAD to release guidance before end of December.
- Divorce cases (retrospective) - GAD to release guidance January 2025

4.12 JL asked if the issue regarding offsetting had been addressed and MG confirmed this had been resolved.

4.13 TA flagged to the Board an email received from the lead of a Social Media Group for members affected by the Matthews exercise. ACTION: JL to recommend some words to send as the response to the lead.

5. LGA update

5.1 TA provided a summary of the report and highlighted the key areas board that the LGA team are working on. This included updates on Sargeant and Matthews projects, confirmation that the budget bid was successful and updating the board

that unfortunately, the LGA had not been able to recruit to the position of Fire Pension Adviser and would be revisiting this vacancy in the new year.

5.2 TA spoke about the success of the recent LPB training and highlighted that the LGA Fire pensions team have long recognised there is a need for pension training throughout especially for FRAs. Due to this the LGA are in the early stages of exploring whether they could provide this to the Fire sector as a chargeable service.

6. SAB governance update

Terms of reference review

6.1 JL invited Des Pritchard to present his findings.

6.2 DP suggestions were, in the main, wording amendments which would bring consistency throughout. ACTION – Secretariat to review the areas highlighted and make necessary amendments. The draft should also be reviewed to ensure compliance with TPR's General Code.

6.3 In respect of representation, DP questioned whether the number of representatives should remain the same as currently and asked the board for their comments. JL reflected that more work needed to be done on this.

6.4 Joanne Donnelly (JD) expressed her concerns due to the pressure on the team with the limited resources. JD explained she had taken a proposal to FSMT and FSMC to decrease the number of councillor representatives within the Employer numbers from 7 to 4, which was agreed.

6.5 The board further discussed the size of the board and JL asked that they provided comments. Cllr Price commented that there is a need to have more representation from those with the appropriate technical expertise.

6.6 The quoracy was also discussed and it was agreed that this should be reduced given that it was seldom achieved.

Governance paper

6.7 TA delivered the paper to the board, raising the concern of achieving quorum.

6.8 The board discussed various suggestions how this would be best achieved, without making this too onerous.

6.9 TA confirmed that a Governance paper will be presented at future meetings, to provided SAB with policy updates, a business plan and a review of the risk register.

6.10 AFH raised whether members of the board should have access to the restricted area of the FPS website as they need this information to enable them to do their job. Andrew commented without this access there is a lack of transparency. AFH will be following up this verbal request with a request in writing. MR asked for this issue to be brought to the next meeting. ACTION – Secretariat to bring this item to the next meeting - FPS website restricted area access.

7. Sub Committee Updates

7.1 Tony Curry Chair of the LPB Effectiveness Committee provided an update, commenting that the committee has been reinvigorated, with training being the main focus. Listening to feedback from the sector he informed the board that, refresher training will now be delivered in 2025.

7.2 Tony explained that a draft agenda worked on by this committee is now available on the FPS website for local pension boards to use.

7.3 TA added that a trial run of a LPB Chairs forum had taken place, the session was well attended with positive interaction. It was agreed to continue these sessions on a bi-monthly basis.

8. Budget

Inheritance Tax Consultation

8.1 TA provided a summary of the consultation, explaining the key part affecting the Fire schemes is Inheritance tax, therefore the need for the consultation. TA advised that the LGA would respond to the consultation and asked SAB if they also would be responding.

8.2 MR commented on the lack of tax expertise on the board, JL explained that the consultation is, in theory, only in respect of the implementation process which is apparently already causing some debate.

8.3 Craig added, he supported the issues raised and highlighted this is going to be a difficult process for administrators. The board discussed the ramifications on members' dependants who will have to deal with this, another concern was the complexities of this process which could create potential delays leading to the severe financial detriment of members.

8.4 JL said it would be beneficial for SAB to respond. ACTION – Secretariat to share a draft response with SAB for comments.

9. Administrator updates: Position statements (written and verbal)

West Yorkshire Pension Fund

9.1 . The Board welcomed Matt Mott, Head of Governance and Business Development and Yunus Gajra, Assistant Director (Finance, Administration and Governance).

9.2 Matt provided his update to the board. The key areas of update included the Sargeant remedy, Matthew's exercise, Valuations and Pensions Dashboards.

9.3 Matt specifically noted that they are still unable to rollback records involved in the Sargeant remedy. However, they have all the Civica software updates in the systems and are currently testing rollback data and remain optimistic that this will be completed in January 2025.

9.4 Matt highlighted that the production of Pension Saving Statements (PSS) has been challenging, therefore they took action to prioritise those who are most likely to be impacted, due to having previous tax charges.

9.5 Matt commented that the request r from the LGA for Sargeant data caused concerns and wanted to highlight that their system cannot produce the

information therefore, this is a manual process and a significant piece of work.

9.6 Matt confirmed that they have resources working full time on the valuation return and are working with GAD to produce the valuation information.

9.7 Matt said that they have currently 600 Matthews cases ready for processing and are recruiting a project team to work in this area.

9.8 Matt explained they have had seen an increase in the number of requests for pension estimates which alongside their clients, is being managed carefully.

9.9 They are currently liaising with stakeholders and feel confident with the Pension Dashboard project. Their main concerns are the tight timeline requirements of April 2025 connection and the data matching process.

9.10 JL asked Matt to elaborate on his Dashboard readiness assessment.

9.11 Matt explained that their common data is good, and members (lost/deaths) are being traced via a framework however, this is also reliant on FRAs providing accurate data which is proving to be difficult.

9.12 Clair Alcock asked what the WYPF plan is in respect of contact and engagement for Matthews, the contributions statement and who will be dealing with this process and testing the data collected.

9.13 Matt responded saying comms will be sent out to members, and WYPF plan to have a contact centre for members.

9.14 HS confirmed that FRAs will be responsible for the contribution adjustments. CA raised concerns, saying do the FRA's understand what the expectation is.

9.15 Matt informed the board that WYPF are currently undergoing a recruitment drive. Their aim is to have one team dealing with Fire pensions, this consolidation will be more effective.

9.16 JL thanked Matt Mott (MM) and Yunus Gajra (YG) for attending.

LPPA written report

9.17 LPPA provided a written report ahead of the meeting.

9.18 The board were impressed with amount of useful information within the report and they commented that this provided a clear high-level overview of LPPA's progress on McCloud remedy, regulatory activity including Annual Benefit Statements (ABS), Pensions Savings Statements (PSS) and valuation data.

9.19 CA commented LPPA are one of the first Administrators to send out statements.

9.20 MR raised some concerns around negative member experiences, relating to the statements being issued and the use of the LPPA portal. He felt that their messaging is weak, and the information held can be unclear and misleading.

9.21 MR asked if he could be provided with links to the templates and information being used. ACTION – TA to provide links to statement templates and associated information.

XPS written report

9.22 XPS provided a written report ahead of the meeting. The XPS report was noted.

10. Software supplier updates:

Civica

10.1 Civica provided their update ahead of the meeting and were scheduled to attend however, due to slippages they were unable attend.

10.2 The board considered their report.

10.3 HS was able to provide an insight on Civica's the progress, in that there had been 26 drops into the live system in August and there are more to follow. Helen said that Civica are currently testing ABS-RSS calculations to which TA commented, do Civica have the necessary expertise to do these checks?

10.4 HS added WYPF have additional issues to Civica's other clients due to the system they use. There is also a problem around the 15-year backdated data, which has not been addressed and is currently being processed manually by administrators.

10.5 The board were concerned to hear that Civica have recently made several Fire pension employees redundant. JL was interested to know if they have a plan in place. ACTION: LGA to follow this up with Civica.

Heywoods

10.6 Heywoods provided their update ahead of the meeting for the board to consider. The Board noted the report.

AOB and date of the next meeting

The Chair agreed the next meeting cycle dates.

- Wednesday 19 March (In-person – Smith Square)
- Wednesday 18 June (Virtual – MS Teams)
- Thursday 11 September (In-person – Smith Square)
- Thursday 11 December (Virtual – MS Teams)

ACTION – Secretariat to send out the invites for the next meeting cycle.

The meeting closed at 15:20