

FIRE FIGHTERS PENSION BOARD - MINUTES
NOTES of Meeting Held 7th April 2022 – 13:00
MS Teams

Attendees:	
Glynn Luznyj, (GL), Chair	Ralph Butler (RB)
David Greensmith, (DG)	Helen Scargill, (HS)
Irina Volkova-Heath, (IVH)	Susan Wilkinson, (SW)
James (Jim) Bywater (JB)	
Minutes: Carol Golcher, (CG)	
Apologies:	
Lee Russell, (LR)	

1. Attendance and Apologies

Documents referred to in these notes are not appended but will be attached to the signed copy of the minutes. Copies, or specific information in them, may be available on request.

New introductions to Ralph Butler who is now representing the Scheme Manager and second Employer representative for the PFCC office. Jim Bywater performed the role of an employee Rep and member of the FOA.

Action 50: GL to speak to the Scheme advisory board regarding induction and refresher training and board for Board members.

2. Minutes and Actions Arising

Minutes were reviewed and taken as a true and accurate reflection of the meeting held on the 15th January 2022.

Action 41: Further discussion around temporary contracts, options being put forward to the FBU have not be agreed by them. Nothing has been agreed at this moment and staff already on temporary contracts will still be pensionable. **Ongoing.** Pick up after the meeting to firm up agreement on current and future.

Temporary contract being pensionable issue has still not been addressed and no progress has been made since the last meeting. SW and DG to meet outside of the meeting with GL to review the position and provide any advice that needs to be shared to the Scheme Manager and update to SGB-Fire. **Action On-going.**

7.4.22 – A number of options have been considered and a consensus for an agreed way forward hasn't been reached. There has been a change in the recruitment process which means the number of casual contracts has been reduced. A paper regarding temporary contacts and pensions will need

to go to SGB, a paper on Immediate Detriment is due to be submitted to the next SGB on the 3rd May so it may be at the July SGB. HS provided her view from a Scheme Administrator point of view. Board in agreement on the need to have the scheme Manager's agreement on any change to the ID process **Ongoing review after next SGB-Fire on 3/5/22**

Actions 46: DG to update Risk Register as follows: -

Work on numbering /Delegated responsibility – training records/members

DG/SW/GL to review Immediate detriment having own risk register or additional risk register items.

Additional Risk to be added for Timely and accurate Communications.

7.4.22 Full review last time and will be discussed as part of agenda going forward. **Action closed.**

Action 47: GL will pick up with FBU and other trade unions within the service to assess if further Employee representatives wish to attend the board.

7.4.22 Jim Bywater have been invited as an employee representative. The Board is are quorate with three members attending and so it is effectively discharging its duties. **Ongoing.**

Action 48: DG/SW will provide a paper to go to the scheme manager on the process/actions taken with Immediate detriment on straight forward and complex cases by end of Jan.

7.4.22 **Ongoing** but discuss in agenda.

Action 49 – Check legal requirements for FRA and Scheme Managers and review at the next meeting.

7.4.22 The Pension board are supported by the Scheme Advisory Board, NFCC for guidance and Louise Taylor as monitoring officer. It is understood that we have a sufficient mechanism in place.

Individual complex issues are directed to Weightmans who are the same legal representatives for the Scheme Advisory Board and the LGA. **Action Closed.**

3. Strategic Risk Register - Pensions

As discussed in detail at the last meeting, only items by exception to be raised today. **DG** has updated as per actions from January meeting and will circulate for comments after meeting. If there are any actions or issues to be raised outside of the meeting. This will be included on the next meeting agenda for a more formal review.

4. Immediate Detriment Update

GL invited everyone to engage as this is a topical, complicated matter and is having a big impact on everyone in the Pension Scheme at the Staffordshire Fire Service.

DG explained that we are still processing cases in line with the guidance. The majority of FRA, stopped processing. Following a meeting last week some authorities are restarting others are stopping - still very mixed situation.

The NPCC have been more robust and informed Police forces to not process until Legislation has been passed. A letter has been received today from Joanne Livingstone (From Treasury) to the scheme advisory board, detailing the issues and moving from scheme to scheme, tax implications around annual and life time allowances. The update from NFCC advises we shouldn't be processing, with caveat still at the discretion of the individual scheme managers.

To date locally we have processed: -

9 Cat 1 case to date.

5 Cat 2 cases (retrospective within 12 months).

We are currently ceased and paused Cat 2 cases at the moment.

A paper is currently being compiled of all the information, for the scheme manager to be presented at the SGB-Fire on the 3rd May. This will advise the latest position, where we are locally and a recommendation as to the way forward.

Further advice is being sought on the issues and taking cases forward, but the FRA recognises the FBU are and will continue to implement litigation proceedings against authorities who do not continue. We need to heed advice that is coming through and look at the emerging risks associated if the FRA continues to process ID. SW will be sending out an update on the current position and the Brian Matthews case on Inews.

SW requested that we have a rationale to provide to upcoming retiree's regarding our position change.

HS advised that following the NFFC letter, 2 FRA's have started to process again, while one has paused and seeking further legal advice.

HS provided her understanding of the LGA/FBU combined letter that has gone to Treasury and Home Office. **HS** believes that they are seeking clarification on the process of any Cat 1 people under current regulations would they then be treated as Cat 2 in 12 months of retirement. Suggested that there may be a need to reassess when a response to letter is received.

GL summarised that what we have seen from the LGA/FBU is a lot of uncertainty, we took the choice to recommend to the scheme manager to process cases, this was carried out for the right reasons and morally so that members received the pensions they were entitled to. With a legal case underpinning this view, we now have a mixed picture how FRAs are choosing to do it or not.

HS advised that they are currently working with 23 FRA and have 6 or 7 for framework Cat 1 and 2 that are not signed up to the framework but processing under Section 61 of equalities act. Then the two FRAs that un-paused yesterday.

GL asked **DW/JB** if have an idea of how many individuals are likely to retire from service in the next 12 months, this presents a higher risk the higher number if we continue, ahead of the legislation from the Home Office and HM Treasury

JB estimated that there are 10-15 for the rest of 2022. With a possible 10 in 2023.

This would be a significant number for the force as the more we process the more the potential risk for the person and then the FRA for tax implications.

DG advised that due to the uncertainty we cannot estimate what the liability/risk is we are open to for tax relief and contribution. Whilst we have the numbers/unauthorised payments we do not know how that will manifest. The Home Office, Treasury and the NFCC are saying don't process and it appears that the majority of FRAs have ceased and the level of risk is increasing not decreasing. Not comfortable to go to the scheme manager and advise to continue. Need to reflect and provide a robust decision on a way forward. The risk also comes from legal challenges and that is unknown, some services have had cases registered but we haven't seen a wide scale breach yet.

GL explained that locally and regionally the FBU and members are grateful that we are continuing to process. If we didn't go down that route they would explore litigation so the risk is real. The FBU are working with LGA to get a resolution nationally with the Home Office and HM Treasury. This is the

element of disappointment locally, they want to retire and get pensions entitled to them and without discrimination. Government are telling using no uncertain terms we shouldn't be processing them and that wasn't what was advised at the start.

IVH provided the following numbers: -

3 people from the previous year haven't retired who had advised that they would.

From the 1st October 2022 there will be 6 eligible to retire.

Out of the above, 6 would be protected as they have just entered into the 2015 scheme and have paid all contributions.

In addition to the 2 being progressed up to October there are 2 potential immediate detriment cases.

This means that the majority to process will fall after 1st October 2022 there could be 3 or 4 complicated cases.

GL also aware that there may be some unplanned leavers so that will be the minimum up to October.

HS advised that if someone was fully protected up to 31st March 2022 and then moved into the 2015 scheme from 1st April 2022 then retires that is not classed under Immediate Detriment, that is just retirement and will be dealt with after October 23 under the remedial statement process. You have got to have 2015 service within the detriment period.

GL stated that based on the information we have to date, on balance we need to change our process until we have clarity on the Tax implications. This will be built into the paper to recommend to the Scheme Manager at SGB.

ACTION 51: - **GL/DG** to speak to the Scheme Manager with **RB** and the next 2:2 (Wednesday 13/04/22) to update the commissioner on the concern and what will be proposed at the 3rd May SGB-Fire

5. IDRP – Dispute Resolution Procedure

GL explained to **RB/JB** the meaning of the IDRP. **SW** advised that the procedure with the agenda was no process changes just written into a more understandable format. Approved by the board, does not need to go to Scheme Manager for approval. The procedure will be accessible on the website/intranet.

6. Matthews and O'Brien Case Law Update

SW provided an update following the receipt of a new MOU provided last week. There will now be a second option exercise. The first options exercised under the Matthew MOJ case considered members between 01/07/2000 and 31/03/2006 this will extend following the O'Brien MOJ case to consider April to June to 2000, which permits service to be brought back prior to the part time regulations being introduced in 2000.

HS clarified that if the start date of the relevant period was after 01/07/2000 they don't get another chance. If they have service before April 2000 or in the 1990/80s and didn't take it up the first option they have another option.

GL stated that we have already completed an options exercise based on Matthews and consolidating data we have available and we will wait on further clarification and then contact affected members.

JB asked if we knew how many took up the first options?

From figures held by **IG/DG** and **HS** there were 160 members on the modified system and 130 that said they wanted to look at the first option.

DG advised that the retained modified accounts says that we have 71 paying in. This would include active members who made settlement and the Pensioners paid from lump sum.

This has been ongoing for some time and the majority of members are aware and the new option will be communicated in INews on Friday. HS informed the meeting that other FRAs are considering how best to communicate with those that have left the service and unions will be looking at doing their own communications. Some FRAs have also talked about an advert in local newspapers. Need to consider how to ensure best endeavours. External communications to think about and how in our area it is best to achieve.

7. Update from Administrator

HS advised that the key work will be the month 12 returns for pay/information to enable the production of the annual benefit statements produce.

The annual benefit statements will be under the current regulations, but will not be reflecting remedy. This will mean that some people will receive a statement that will be correct and fully protected this will also include anybody who is already in the 2015 scheme.

Any member who transferred on the 01/04/2015 will be receiving their statement with reformed benefits rather than legacy so potentially half correct.

Anyone who was a *tapered* member will continue under the current regulations and in reality, incorrect. There isn't anything that can be done regarding this at the moment.

At the upcoming quarterly client meeting they will be providing more general information. Also providing assurance following audits and ISO 9001 qualification following reassessment in December 2021. There were no recommendations issued following the audit which shows a good benchmark on cost for FRA and Pension Boards to give some reassurance in terms of how much they are charged and what is received.

GL asked HS the following questions: -

Q1 Are there any trends or themes coming through from members?

A1 Initially the problems received were from members who thought that had to retire from the service before the 31/03/22. These have tapered off following the myth buster published by the LGA.

Q2 Are the request for retirement figures in line with what we expect?

A2. From the current position and what we could supply, there is no feedback that there is an issue with Staffs members coming direct.

Q3 Have we seen an increase of the use of the membership portal for records/information and annual benefit statements?

A3 Not aware of access to our portal but increase to LGA website after the myth buster was sent out, the access massively spiked in key areas where they are looking. LGA portal is being well used and getting some feedback and suggestions as well from members so has been really good.

8. Any Other Business

No other business for the meeting.

Meeting concluded.

Next Meeting date: 7th July 2022 at 13:00