

SOUTH WALES FIRE & RESCUE AUTHORITY

MINUTES OF THE LOCAL PENSION BOARD COMMITTEE HELD ON MONDAY, 17 OCTOBER 2022

13. PRESENT

Councillor

P Drake (Chair)	Vale of Glamorgan
J Morgan	Blaenau Gwent
D Naughton	Cardiff
D King	Fire & Rescue Service Association
G Tovey	Fire Brigades' Union
Ms C Black	Pensions Service Manager, Rhondda Cynon Taff BC

Apologies:

C Elsbury	Caerphilly
R Prendergast	Association of Principal Fire Officers
M Alexander	Fire Brigades' Union

OFFICERS PRESENT: - ACO A Reed – Director of People Services, Mr C Barton – Treasurer, Mr G Thomas – T/ACO – Corporate Support; Ms K Jeal - Accountant

14. DECLARATIONS OF INTEREST

Each Member declared a personal non-prejudicial interest in each agenda item which affected their Authority.

15. CHAIR'S ANNOUNCEMENTS

There were no Chair's announcements.

16. MINUTES OF PREVIOUS MEETINGS

The minutes of the Local Pension Board Committee held on 4 July 2022 were read and accepted as a true record of proceedings.

17. REPORT TO REVIEW KEY PERFORMANCE INDICATORS AND UPDATE REPORT ON PUBLICATION OF ANNUAL BENEFITS STATEMENT

The Pensions Service Manager presented the current year key performance and was pleased to confirm that the Service is hitting performance targets, and Service Level Agreements (SLAs), all within an agreed time of work.

She advised that RCT work closely with the Service, there is a dedicated email account where work is allocated and this email account is monitored daily. She advised that a departmental restructure is underway to ensure they can continue to provide an excellent service to the organisation, this will see the addition of five administrators within the section who carry out work for fire and local government.

An online provision for firefighters to access their pension details is available which allows them to access their information quicker.

She advised that, since the last meeting the deferred and active member annual benefits statements have been issued by the statutory deadline.

Immediate detriment claims continue to be processed in liaison with Kim Jeal and team. Each case is very labour intensive and can take up to a day to process one case. Software is not available so these are being completed manually. It was noted that there will be a need to revisit all cases in October 2023, a caveat is being included in all communications so that members are aware.

RESOLVED THAT

Members noted the performance data contained within Appendix 1 and the overview contained within Appendix 2.

8. FIREFIGHTER PENSIONS – REMEDYING AGE DISCRIMINATION

The Director of People Services presented the report on Firefighter Pensions, Remedying Age Discrimination which confirms that accounts have been audited and have received a clean bill of health.

She drew attention to the Appendix confirming the number of immediate detriment cases so far processed, adding that South Wales is one of only a few services processing immediate detriment cases. She extended thanks to Ms Jeal (SWFRS Pensions) and her team and Ms Black (RCT Pensions) and her team for working closely together to achieve this.

The Director of People Services advised that the Service are nearing the completion of purchasing a calculator that will assist firefighters to understand what their benefits will look like on retirement. She advised that it is hoped to have the GAD Modeller up and running within the next few months.

Mr Tovey welcomed the GAD modeller and encouraged that it be implemented as soon as possible, as the lack of information is a challenge for individuals who are being asked to make important decisions with little information.

RESOLVED THAT

Members noted the content of the report.

19. UPDATE REPORT FROM SCHEME ADVISORY BOARD

The Director of People Services provided an update from the Scheme Advisory Board.

She advised that UK government had issued a consultation in relation to the Scape rate, which is used to value public service pension schemes and set employer contribution rates, this could result in changes in the way it works in the future. Results of the consultation are expected this autumn, although this deadline could be deferred.

She advised that a consultation will be issued January 2023 by HM Treasury in relation to retrospective scheme rules with regard to remedying age discrimination. The consultation will look at the scheme rules, interest rates and other key areas. Welsh Government are also working with UK government on these matters. An informal working group has been set up, Ms Jeal sits on this group. The consultation will close April 2023.

The Director of People Services further advised that the 'Mathews/O'Brien' cases, relating to part time workers' rights were relevant for the Service's On-Call staff. The intention is to widen the scope to prior to 2000. In this scenario organisations will need to check what records and data has been kept in order to undertake due diligence and implement the arrangements. Welsh Government are planning to introduce regulations in October 2023. She added that next year will see a number of consultations particularly addressing age discrimination and part time workers' rights.

Also discussed was the valuation on pensions and cost cap arrangements, she confirmed that there was likely to be more information available between January to March 2023. The Director of People Services advised that if there is a breach of the cost cap, SAB will need to discuss it in detail in terms of impact including any financial implications.

Mr Tovey advised that there are significant risks with dealing with both 'Mathews/O'Brien as well as McCloud/Sargeant at the same time, especially due to resources required. Ms Jeal advised that in relation to 'O'Brien', when legislation has been put in place, organisations have eighteen months to undertake and complete the exercise.

RESOLVED THAT

Members noted the update from the Director of People Services.

20. PUBLICATIONS, UPDATES, INFORMATION (STANDARD ITEM)

The Director of People Services shared a number of publications, updates and information relating to pensions matters with the Board.

Members reviewed and noted the publications which were shared for information and awareness purposes, as attached at Appendix 1.

Of note, the Director of People Services advised that in relation to the TPO - Early Resolution Factsheet/Service, it was interesting to note the availability of this service and useful for Members to be aware from Board learning perspective.

Councillor Drake raised concerns in relation to combatting pension scams. Ms Jeal advised that an individual cannot now transfer out of a public service to a private company so there is some protection, although public sector individuals who have separate private pensions could fall foul to scams. Ms Black reassured the Committee that as a fund, they have signed up to the pledge with the pensions regulator and will keep on top of any red flags to prevent any scams.

The Director of People Services advised that in relation to annual allowance charges, a workshop was run on 7th October facilitated by an external company. Ms Jeal advised that attendance was relatively low.

It was noted that the FPS AGM is taking place in London on 25-26 October. and further information would be shared with the Board in due course.

The Director of People Services drew attention to the open letters between SAB and HM Treasury, advising that these would be useful to review as they contain information in relation to the complexities associated with assessing immediate detriment cases.

RESOLVED:

20.01 Members reviewed and noted the publications which were shared for information and awareness purposes, as attached at Appendix 1.

20.02 Ms Jeal to provide an update on the FPS AGM is taking place in London on 25-26 October 2022.

21. TRAINING SESSION FOR MEMBERS

The Director of People Services advised that for this Members' training session, Members will be sent an email with links to the SAB Wales training session held recently. The training session proved very useful, covering topics such as 'O'Brien', 'McCloud' and the pensions dashboard. She requested that Members work through the training session and share any reflections on the training event and any activities they think should be included on the agenda.

Councillors Morgan and Naughton advised that they were unable to attend the training session but confirmed they would complete as soon as they are able to.

RESOLVED THAT

On the closing of the meeting, Members resolved to undertake the training session.

22. FORWARD WORK PROGRAMME FOR LOCAL PENSION BOARD 2022/2023

The Director of People Services presented the Forward Work Programme for 2022/2023.

RESOLVED THAT

Members noted the content of the Forward Work Programme for 2022/2023.

23. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRPERSON DEEMS URGENT (PART 1 OR 2)

There were no items of business that the Chair deemed urgent.