

## **SOUTH WALES FIRE & RESCUE AUTHORITY**

### **MINUTES OF THE LOCAL PENSIONS BOARD MEETING HELD ON MONDAY, 28 JUNE 2021 VIA STARLEAF**

#### **1. PRESENT**

##### **Councillor**

S Bradwick (Chair)	Rhondda Cynon Taff
L Brown	Monmouthshire
V Smith	Monmouthshire
D King	Fire & Rescue Service Association
R Prendergast	Association of Principal Fire Officers
Mr I Traylor	Pensions Service Director, Rhondda Cynon Taff BC

##### **Apologies:**

No apologies received

##### **No Attendance:**

D White	Bridgend
S Saunders	Fire Brigades' Union
R Bailey	Fire Brigades' Union

**OFFICERS PRESENT:-** ACO A Reed – Director of People Services, Mr C Barton – Treasurer, Mr G Thomas – T/ACO – Corporate Support; Mrs Lisa Mullan – T/Head of Finance & Procurement

#### **2. DECLARATIONS OF INTEREST**

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

#### **3. CHAIR'S ANNOUNCEMENTS**

There were no Chair's announcements.

#### **4. MINUTES OF PREVIOUS MEETINGS**

The minutes of the Local Pension Board Committee held on 25 January 2021 were read and accepted as a true record of proceedings.

## **5. SCHEME DATA FOR THE FIREFIGHTERS' PENSION SCHEMES**

The Director of People Services introduced the report providing factual statistics on Scheme Membership in relation to the Firefighters' Pension Schemes. She drew Members attention to Appendix A, advising that since 2019 a number of scheme members have either retired or transitioned across to the reformed 2015 scheme, the result of which there are more members in the 2015 scheme.

Mr Ian Traylor gave further detail to the report, noting that total numbers of individual's retiring has increased slightly from last year and that the largest proportion of scheme members is within the 2015 scheme as would be expected, as 1992 membership will decrease over time. He acknowledged that there are various complexities and variations involved and offered ongoing awareness training to Members should they require it.

Councillor Smith queried the use of race within the terminology in respect of the McCloud/Sargeant case, Mr R Prendergast advised that this term is used as the vast majority of individuals affect were from underrepresented groups.

### **RESOLVED THAT**

Members noted the composition of the Scheme(s) Membership as at 1 April 2021.

## **6. LOCAL PENSION BOARD TERMS OF REFERENCE (TOR)**

The Director of People Services presented the Terms of Reference to Members for their consideration. She advised that the Deputy Chief Officer, in line with recent discussions at Fire and Rescue Authority, is currently looking at quorum across committees, so quorum of this Committee may change in the future.

Councillor Smith queried whether volunteers had received training to act as substitutes. The Chair advised that this is still ongoing, it is the intention to approach certain individuals to ask if they would be willing to undertake training

### **RESOLVED THAT**

Members reviewed and agreed the Terms of Reference for the Committee, subject to the correction of some minor grammatical errors.

## **7. LOCAL PENSION BOARD - SERVICE LEVEL AGREEMENT (SLA)**

The Director of People Services presented the Service Level Agreement (SLA) of the Local Pensions Board, for Members' to review. All Members confirmed they were happy for Mr Traylor to stay.

The Director of People Services advised that there are no changes proposed to the SLA which has been in place since 2019. She advised that some of the timeframes are ambitious but there have been some very good turnaround times achieved as highlighted in the KPIs. The current SLA is working well and the level of service being received by Rhondda Cynon Taf (RCT) is excellent.

Mr Traynor added that a long standing professional relationship exists between RCT and the fire and rescue service which has grown from strength to strength over the last couple of years, with processes and good governance being put in place.

Councillor Smith gave thanks for such an excellent SLA, adding that they have never been so well informed. She further queried whether monies would be reclaimed if an individual unfortunately passed away a day after receiving payment.

Mr Traylor advised that discretion is used for every case, and both parties work closely together to consider the circumstances and value of any overpayment, but under normal circumstances an adjustment would have to be made and monies claimed back

Councillor Brown queried the option to call additional meetings, adding that there is a requirement within the Terms of Reference but not within the SLA. The Director of People Services confirmed that there are three Local Service Board meetings per year, with the option to call additional meetings to discuss certain issues that arise such as the McCloud judgement or for Members to receive training.

Councillor Smith queried whether it is a legal requirement for an individual to stay within a Scheme. Mr Traylor advised that is not a legal requirement, it is the choice of the individual whether they stay within their original scheme or transfer into a new scheme.

## **RESOLVED THAT**

7.1 Members approved the Service Level Agreement

7.2 Members resolved that the Service Level Agreement be formally reviews again in 2022, which is the third anniversary of the implementation of the current Service Level Agreement.

## **8. LOCAL PENSION BOARD: KEY PERFORMANCE INDICATORS (KPI'S) FOR FIRE PENSIONS**

The Director of People Services presented to Members an update on key activity undertaken and performance data performance data for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

Mr Traylor advised it has been a challenging year for service delivery due to Covid-19, with all pension personnel working from home since March 2020. He was pleased to advise that, even within these difficult circumstances, the majority of standards have been met. He advised that the complexity of some cases affected the percentage due to the longer process times, adding there is some scope for improvement but overall results were pleasing.

He noted the high number of individuals using the secure self-service portal to check their pension details, which is pleasing. Scheme members are able to check their details, have access to the Annual Pension Statements and make enquires. He advised that staff are now working on the Annual Benefit Statements which have a deadline of 31<sup>st</sup> August, as well as working closely with the fire and rescue service software provider on the McCloud Remedies.

He advised that staff have been receiving training and development throughout June and RCT continue to support the apprentice and graduate schemes and confirmed that individuals will be appointed to the fire and rescue service for resilience, particularly with the upcoming McCloud remedies.

Councillor Smith acknowledged the upcoming challenges which will involve extra work for RCT and queried how costs and who are responsible for them are determined. The Director of People Services advised that the fire and rescue service are dedicating a role that will concentrate exclusively on the McCloud Remedies and this person will work closely with RCT over the next two years. Mr Traylor added that regular discussions are being held to work through the solution, and the situation will continue to be monitored.

Councillor Brown queried whether information can be made available when percentage of cases being dealt within the five day time period drops below 50, showing how long it has taken.

Mr Traylor advised that commentary has been provided throughout the year but he would be happy to include this commentary within the year end statistics if that was the requirement of the Board.

## **RESOLVED THAT**

Members noted the performance statistics as highlighted in the KPIs.

### **9. INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP)**

The Director of People Services presented the report that updates Members on the procedures for resolving internal disputes in relation to pension matters and updates Members on the cases that were completed under this procedure during 1<sup>st</sup> April 2020 to 31 March 2021.

The Director of People Services advised that Welsh Government had recently issued an update to the IDRP procedure. The IDRP stages had been discussed at the Scheme Advisory Board (Wales) where it was highlighted that there is no formal requirement for a two stage process. SAB members had discussed this and decided to retain the two step IDRP process. She also advised that the sharing of outcomes of the IDRP panel discussions has commenced to use as further learning adding that Appendix B contains information on an upcoming case. She confirmed this case has gone through the first stage of the IDRP process and will now go through the second stage for determination.

The Director of People Services commented that volunteers are required to be trained to sit on the IDRP Panel with full support from a trained lawyer.

Councillor Brown queried whether the Money and Pensions Service mentioned in the letter to Scheme members is a free service and should it be included in the letter to encourage them to use this service. It was noted that this letter is issued by Welsh Government and the fire and rescue service has no say on the content of the letter.

## **RESOLVED THAT**

Members noted the procedures for resolving internal disputes in relation to pension matters and the cases that were completed under this procedure during 1<sup>st</sup> April 2020 to 31 March 2021.

### **10. REPORT ON MCCLOUD – TAPERING**

The Director of People Services gave a presentation to Members in relation to the Authority's position in relation to the pension remedy and immediate detriment of the McCloud Remedy and how it affects the Service. The presentation covered the background, timelines, complexity of the process, information on immediate detriment cases and the member waiver form that

some fire and rescue authorities have adopted to gain agreement in advance of processing immediate detriment cases, and without legislation.

The Director of People Services advised that a report will be presented to the Fire and Rescue Authority meeting on 19<sup>th</sup> July 2021, seeking support from Members to move forward with processing immediate detriment cases. She advised that this does present challenges with no legislation in place, but not moving forward now and waiting for legislation proves a far greater risk, adding that the Home Office and Local Government Association have each issued informal guidance.

The Director of People Services advised that once agreement has been reached by Fire and Rescue Authority members, discussions will need to be held with representative bodies and pension administrators to move forward. Informal discussions were already underway. Scheme members will need to be made aware of the remedy exercise that will take place over the next two years.

Councillor Brown queried whether the authority will be notifying individuals who could retire by the deadline but have not expressed this desire. The Director of People Services advised that it would be an individual's choice to retire and those submitting their three months' notice of retirement from 19 July would be in scope for being treated in line with the immediate detriment guidance. This approach would therefore apply to individuals who can retire from 19 October.

The Director of People Services advised that she has discussed informally with the Fire Brigades Union who are comfortable that this was progressing.

## **RESOLVED THAT**

Members noted the content of the presentation given by the Director of People Services in relation to pension remedy and immediate detriment of the McCloud Remedy and how it affects the Service

## **11. 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, advising this will form part of the agenda as standard.

## **RESOLVED THAT**

Members noted the publications, updates and for information and awareness purposes.

## **12. TRAINING SESSION FOR MEMBERS**

Mrs L Mullan, Temporary Head of Finance and Procurement gave Members a presentation on the pensions funding mechanism within the Finance Department, covering the Annual Firefighter Pension Fund which consists of one fund that includes all scheme, which is subject the annual audits through the Audit Wales regime. Members noted the FFPF Account and the detail of what funding is received by the account and what then is paid from the account. The Chair commented that it would be beneficial for all Fire and Rescue Authority members to receive the slide that contains this information.

Councillor Smith queried whether payment for injury comes from the pension fund.

Mrs Mullan confirmed that ill health and injury retirements are classed as one charge within the revenue budget which is taken as an average across three years

### **RESOLVED THAT**

Members noted the contents of the presentation and thanked Mrs Mullan for a being so informative.

## **13. FORWARD WORK PROGRAMME FOR LOCAL PENSION BOARD 2021/2022**

The Director of People Services presented the Forward work Programme for 2021/2022.

### **RESOLVED THAT**

Members noted the content of the Forward Work Programme for 2021/2022.

## **14. 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.