



OFFICIAL

Activity Report

Local Pension Board

Date: 19 January 2024

Agenda Item:

06

Submitted By: Director of HR

Purpose	To inform Members of performance in key areas for the period 1 July 2023 to 31 December 2023.
Recommendations	That the report is noted.
Summary	This report informs Members of a series of membership statistics and movements for the reporting period, as well as providing a summary of the number of opt-ins/outs, appeals made under the Internal Dispute Resolution Procedure (IDRP) and number of pension estimates processed.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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Background papers open to inspection: None

Annexes: None

1 Introduction

1.1 This report informs Members of the Authority's key areas relating to the Local Pension Board as follows:

- Number of members across the various schemes
- Membership movements during the reporting period
- Number of opt-ins and opt-outs
- Number of retirements
- Estimates processed
- Number of new firefighter recruits
- Total firefighter headcount
- Number of IDRP Stage 1 and Stage 2 complaints

2 Information

For consistency, the number of members under each scheme is where this is their current or most recent scheme. For example, a 2015 scheme member with connected 1992 benefits is included in the 2015 scheme figures.

2.1 Number of active members

Scheme	31 st December 2023	30 th June 2023
2015 Firefighters' Pension Scheme	1,024	1,020

2.2 Number of pensioner members

Scheme	31 st December 2023	30 th June 2023
1992 Firefighters' Pension Scheme	2,324	2,341
2006 Firefighters' Pension Scheme	14	15
2006 Special (Modified) Scheme	40	39
2015 Firefighters' Pension Scheme	62	44

2.3 Number of deferred members

Scheme	31 st December 2023	30 th June 2023
1992 Firefighters' Pension Scheme	79	81
2006 Firefighters' Pension Scheme	89	90
2006 Special (Modified) Scheme	11	12
2015 Firefighters' Pension Scheme	158	146

2.4 Number of opt-ins

2.4.1 In the period 1st July 2023 to 31st December 2023, **5** employees opted into the pension scheme. Please note that this figure does not include new starters who automatically join the scheme. These opt-ins can be broken down into the following demographics:

Age	Male	Female
18-30	2	1
31-40	1	0
41-50	1	0
51-60	0	0
60+	0	0
Total	4	1

2.4.2 Several of these employees cited the pay award applied on 1st July 2023 as their reason for opting into the pension scheme.

2.5 Number of opt-outs

2.5.1 In the period 1st July 2023 to 31st December 2023, **2** employees opted out of the pension scheme. These can be broken down into the following demographics:

Age	Male	Female
18-30	0	1
31-40	1	0
41-50	0	0
51-60	0	0
60+	0	0
Total	1	1

2.5.2 Only one employee specified their reason for opting out, which was the cost of the scheme.

2.6 Number of retirements

2.6.1 In the period 1st July 2023 to 31st December 2023, **20** employees retired to pension.

2.7 Estimate requests

2.7.1 In the period 1st July 2023 to 31st December 2023, **X** estimate cases were processed.

2.8 Recruits

2.8.1 In the period 1st July 2023 to 31st December 2023, we appointed **21** Wholetime Firefighters and **8** On Call Firefighters. Of these, **1** chose to opt out of the pension scheme. The new starters can be broken down into the following demographics:

Age	Male	Female
18-30	11	6
31-40	9	1
41-50	0	1
51-60	1	0
60+	0	0
Total	21	8

2.8.2 This includes several existing On Call staff who also became Wholetime. The individual in the 51-60 age bracket is a Wholetime Firefighter who took up an additional On Call role.

2.9 Head Count

2.9.1 The total number of Firefighter employees on 31st December 2023 was **1,090**. Of these, **1,031** are current pension scheme members.

2.10 Internal Dispute Resolution Procedure (IDRP)

2.10.1 In the period 1st July 2023 to 31st December 2023, no appeals were made under the IDRP.

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising directly from this report.

8 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report.

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;
- Achieve a more inclusive workforce, which reflects the diverse communities we serve.

10 Conclusions

- 10.1 This report is for information only.



OFFICIAL

Scrutiny & Review

Local Pension Board

Date: 19 January 2024

Agenda Item:

07

Submitted By: Director of HR

Purpose

To scrutinise and review the following:

- Discretions made by the Scheme Manager
- Breaches register
- Pension Risk Register
- Compliance deadlines

Recommendations

That the report is noted, and further action is taken as identified.

Summary

It is one of the requirements of the Local Pension Board that members scrutinise areas relevant to the administration of the Firefighters' Pension Scheme.

Local Government (Access to information) Act 1972

Exemption Category:

None

Contact Officer:

James Clarkson – Pensions Manager

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Background papers open to inspection: None

Annexes:

Annex A – Breach Assessment – Disclosure

Annex B – Pension Risk Register

1 Introduction

- 1.1 Local Pension Board members are to be conversant with Firefighters' Pension Scheme rules and other administration policies relevant to the schemes.
- 1.2 In accordance with this requirement updates have been provided on the following legislative issues:
- Discretions made by the Scheme Manager
 - Breaches
 - Pension risk register
 - Compliance deadlines

2 Information

2.1 Discretions made by the Scheme Manager

- 2.1.1 For the period from 1st July 2023 to 31st December 2023 the Scheme Manager has been asked to exercise their discretion on **3** occasions. Details can be found in the table below:

Date	Request	Regulations	Mitigating Factors	Outcome
20/10/2023	Transfer request outside initial 12 months	FPS 2015 Regulation 141(3)	Member hadn't previously investigated due to uncertainty over 2015 scheme	Approved - No immediate cost to the Authority and risk of redundancy/ill-health minimal
06/11/2023	Whether abatement to apply following FRA re-employment	FPS 1992 Rule K4	Fire Protection would like the member to be re-employed full-time to get the most benefit from their skills and training that WYFRS have invested in them	Management Board agreed 06/11/2023 for Scheme Manager to exercise discretion not to abate pension after member retires

06/11/2023	Whether abatement to apply following FRA re-employment	FPS 1992 Rule K4	Fire Protection would like the member to be re-employed full-time to get the most benefit from their skills and training that WYFRS have invested in them	Management Board agreed 06/11/2023 for Scheme Manager to exercise discretion not to abate pension after member retires
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2.2 Breaches

2.2.1 For the period 1st July 2023 to 31st December 2023 1 breach has been identified.

2.2.2 The Scheme Manager has assessed the breach and has determined that it does not need to be reported to The Pensions Regulator. A copy of the assessment can be found at Annex A.

2.3 Pension risk register

2.3.1 The current risk register can be found in Annex B. There are no proposed changes since the previous meeting.

2.4 Compliance Deadlines

2.4.1 Members need to be mindful of the following key milestones of the pension administrative cycle and the dates associated with it:

- Year End deadline – 31st May 2023
- Annual Benefit Statement (ABS) deadline – 31st August 2023
- Pension Saving Statement (PSS) deadline – 6th October 2023
- TPR Scheme Return 25th January 2024
- TPR Survey – TBC

2.4.2 WYPF have confirmed that all ABSs were issued by the deadline of 31st August 2023 and that all PSSs were issued by the deadline of 6th October 2023. They have also submitted the annual scheme return ahead of deadline.

2.4.3 The Pensions Regulator released the [results](#) of the 2022/23 Governance and Administration survey on 27th November 2023. No date has been given for issuing their next survey of public service pension schemes.

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising directly from this report.

8 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report.

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;
- Provide ethical governance and value for money.

10 Conclusions

- 10.1 This report is for information only.



Secretariat: bluelight.pensions@local.gov.uk

Breach Assessment Template

Date of assessment

2nd January 2024 – James Clarkson (Pensions Manager), Ian Brandwood (Director of HR/Scheme Manager)

Introduction

Regulation 8 of The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 requires that pension scheme members must be informed of material changes to their pension rights or prospective pension rights within 3 months of the change taking effect.

The Firefighters' Pension Schemes (England) (Amendment) Order 2023 came into effect on 1st October 2023 and provides for the 2nd options exercise for retained firefighters employed between 7th April 2000 and 5th April 2006. In-scope individuals must therefore be informed of their right to take part in this exercise before 1st January 2024.

Some individuals who we have identified as being in-scope left WYFRS many years ago, some as far back as 2000, and they have had no reason to keep us informed of any changes of address.

Out of 238 individuals identified as being in scope, 62 were not issued with an expression of interest invitation by 1st January 2024. This is a technical breach of the above regulation. The reason for not issuing these individuals with a

letter was because we either held no address, or the address we did hold was many years old and we had not been able to verify that they still lived there. Writing to an unconfirmed last known address could result in a data breach and the risk that someone impersonates the intended recipient to try and fraudulently obtain their pension entitlement. It was decided that this risk outweighed writing to an unconfirmed address to try and meet disclosure requirements.

Identified

The LGA informed us that failure to issue these letters to individuals by 1st January 2024 constitutes a breach of disclosure regulations and advised us to report it to the Local Pension Board.

Assessment

[Using the [TPR guidance](#) comment on the four areas and score red, amber or green

	Cause	Effect	Reaction	Wider Implications
Red				
Amber		A sizeable minority of in-scope individuals have not been informed about the 2 nd retained options exercise.		
Green	Former staff not keeping us updated with changes to their address.		Anonymised letters were sent to the last known address to confirm whether the intended individual still lived there. In addition, a tracing exercise has been requested from DWP.	This is a one-off breach relating to a specific exercise and is unlikely to reoccur.

Action

A tracing exercise has been commissioned from the DWP Bulk Letter Forwarding Service so that the individuals who have not been informed of the change to their pension arrangements can be found and written to. We also continue to liaise with the FBU and current staff at the relevant stations, who may be in contact with their ex-colleagues.

History / Frequency

This is a one-off breach in relation to the 2nd options exercise.

Decision

Report as material breach	
Recorded as breach	X

Assessed by: James Clarkson/Ian Brandwood

Date of assessment: 2nd January 2024

Board Review:

Tabled at Board Meeting: 19th January 2024

Agreed by board:

Risk Reference	Risk Area 1 - Regulatory and Compliance	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/Specific Risk Reduction Actions	Owner	Test	Next review	Comment
REG1	Failure to put appropriate governance arrangements in place and monitor risk	2	7	14	<ul style="list-style-type: none"> Scheme Manager and Pension Board awareness of legal responsibilities Pension Board given up to date information on legal responsibilities Terms of reference in place and under review Procedures for assessing and managing risk Procedure to identify, assess and report breaches Suitable frequency of Pension Board meetings 	Pension Board Chair Scheme Manager Scheme Manager Scheme Manager Scheme Manager	As Required Annual Annual Annual Annual	Jul-24 Jul-24 Jul-24 Jul-24 Jul-24	Risk Register Policy agreed in July 2019 Breach Policy agreed in July 2019
REG2	Failure to interpret rules or legislation correctly	2	7	14	<ul style="list-style-type: none"> Appropriate Pension Board Member training Up to date and documented training log, showing completion of scheme-specific training and The Pensions Regulator's educational material Technical advice available Ongoing process for acquiring relevant knowledge and understanding, with regular refreshers Training of new Pension Board Members Awareness and understanding of relevant documentation as per TPR Code of Practice 14 paras 42-46 	Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Annual Ongoing Ongoing Ongoing As Required Annual	LPB Meetings LPB Meetings LPB Meetings LPB Meetings LPB Meetings LPB Meetings	Training records reviewed and maintained Legislative update is a standing item on the agenda Encouraged to attend LGA seminars, provided with monthly bulletins and given an overview of recent PO decisions Provided access to TPR online training and training from LGA
REG3	Conflicts of Interest	2	5	10	<ul style="list-style-type: none"> All Pension Board members to declare any conflicts Conflicts of interest policy in place and fully understood Request for interests to be declared at each meeting 	Scheme Manager Scheme Manager	Ongoing Ongoing	Jul-24 LPB Meetings	Standing item on LPB agenda
REG4	Failure to comply with TPR deadlines	5	7	35	<ul style="list-style-type: none"> All pension Board members to keep up to date with TPR compliance deadlines Training of new Pension Board Members Technical advice and regular updates made available at LPB meetings 	Scheme Manager Scheme Manager Scheme Manager	Ongoing Ongoing Ongoing		
Risk Reference	Risk Area 2 - Operations	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
OPS1	Member data incomplete or inaccurate	5	7	35	<ul style="list-style-type: none"> Data management and monitoring requirements under SLA fully understood and deemed adequate Monthly processes to monitor records and carry out reconciliation Monthly KPI reporting on data issues - provide summary at each LPB meeting Data review arrangements in place including periodic address cleanse Process to enact a Data Improvement Plan and report breaches, if required 	Scheme Manager Administrator/Scheme Manager Administrator/Scheme Manager Scheme Manager	Monthly Ongoing As Required As Required	Jul-24 Jul-24 Jul-24 Jul-24	Monthly return sent to WYFF for immediate reconciliation Monthly report received from WYFF Done via monthly return, WYFFS verify any changed addresses Breach Policy agreed in July 2019
OPS2	Administration process failure / maladministration	4	8	32	<ul style="list-style-type: none"> Formal SLA in place with third party administrator and monitoring arrangements assessed as adequate Quarterly client meetings and monthly reports including KPIs Ongoing dialogue between Scheme Manager and third party administrator, including process improvement plans Clear identification of roles, authority levels, data security and data protection processes Audit reporting on both third party administrator and Scheme Manager's processes Disaster Recovery Plans up to date and appropriate Ability to commission independent assurance report, if required 	Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Monthly Ongoing Annual Annual Annual Annual As Required	Jul-24 Jul-24 Jul-24 Jul-24 Jul-24 Jul-24 Jul-24	Quarterly meetings attended by Pensions Manager Monthly report received from WYFF
OPS3	Inadequate, late or inaccurate communications	5	7	35	<ul style="list-style-type: none"> Communication requirements fully understood and The Pensions Regulator's recommendations applied Communications provided under SLA fully understood and deemed adequate for basic requirements Ad hoc communications provided by LGA Pensions Adviser monitored, fully understood and tailored as necessary Develop Communications Strategy and keep under review 	Scheme Manager Scheme Manager Scheme Manager	Annual Ongoing Annual	Jul-24 Jul-24 TBC	To be developed
OPS4	Operational disaster	1	6	6	<ul style="list-style-type: none"> Business continuity procedures in place Third party scheme administrator Disaster Recovery Plan up to date and appropriate Scheme Manager Disaster Recovery Plan up to date and appropriate Contracts and other essential documents recorded on a central database 	Scheme Manager Scheme Manager Scheme Manager	Annual Annual Annual	As per internal audit cycle As per internal audit cycle As per internal audit cycle	
OPS5	Legal challenge to 2016 Cost Cap Valuation may result in retrospective benefit adjustments	2	5	10	<ul style="list-style-type: none"> Administrator awareness of actions required if challenge successful Plan for system configuration updates Communications to affected members 	Administrator/Scheme Manager Administrator/Scheme Manager	Ongoing Ongoing	Temporary risk until case decided Temporary risk until case decided	Update July 2023: Unions given permission to appeal to Court of Appeal
Risk Reference	Risk Area 3 - Financial	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
FIN1	Excessive charges by suppliers/additional liabilities on the operating budget	3	2	6	<ul style="list-style-type: none"> Regular checks of transactions and charges against contract terms/ robust methodology used to forecast pension accounting data Annual review of scheme budget, quarterly review of cost incurred against budget Periodic review of suppliers Processes in place to ensure robustness of method to forecast and calculate pension accounting data. Liaise with third party administrator when making forecasting assumptions 	Scheme Manager Scheme Manager Scheme Manager Scheme Manager	Quarterly Annual Annual Annual	Jul-24 Jul-24 Jul-24 Jul-24	
FIN2	Fraud/Fraudulent behaviour	1	10	10	<ul style="list-style-type: none"> Budget monitoring and appropriate payment processes including use of authorised signatories and data validation Monitor incoming and outgoing scheme funds and membership movements against scheme forecasts - reconcile actual transactions against forecasts Authorisation of transactions in accordance with audit requirements and carried out by authorised signatories only Robust data validation processes in place by third party administrator and Scheme Manager to ensure all transactions authentic Audit reporting on both third party administrator and Scheme Manager's processes 	Scheme Manager Scheme Manager Administrator/Scheme Manager Scheme Manager	Monthly Ongoing Ongoing Annual	Jul-24 As per internal audit cycle As per internal audit cycle As per internal audit cycle	
Risk Reference	Risk Area 4 - Funding	Likelihood (1:least likely, 10:most likely)	Impact (1:least impact, 10:highest)	Score (likelihood x impact)	Main Control/ Specific Risk Reduction Actions	Owner	Test	Next review	Comment
FUN1	Employer failure to pay correct contributions into scheme	1	10	10	<ul style="list-style-type: none"> Contribution deductions and payments - monthly reconciliation of schedule of payments due and amount paid across Processes in place to comply with regulatory requirements on contribution rates and pensionable pay definitions Suitable reporting and reconciliation processes in place ahead of payment including checks on changes in contract and transition to 2015 Scheme 	Scheme Manager Scheme Manager	Ongoing Monthly	As per internal audit cycle As per internal audit cycle	



OFFICIAL

Legislative Update

Local Pension Board

Date: 19 January 2024

Agenda Item:

08

Submitted By: Director of HR

Purpose To provide a legislative update to Members on matters related to the Firefighters' Pension Scheme

Recommendations That the report be noted.

Summary It is a requirement of the Public Service Pensions Act 2013 and subsequent 2015 regulations, for Members of a Local Pension Board to have a knowledge and understanding of the law relating to pensions and such other matters. This report provides an update on the latest relevant legislative issues.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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Background papers open to inspection: None

Annexes: Annex A – Home Office notification re: CARE revaluation

1 Introduction

1.1 It is a requirement under the Public Service Pensions Act regulations that Members of a Local Pension Board have a knowledge and understanding of the governance and administration of the relevant pension schemes.

1.2 In accordance with this requirement an update has been provided on the following legislative issues:

- Age Discrimination Remedy Regulations
- Remedy Tax Regulations No. 2
- Retained Firefighters' Pensions Settlement
- CARE Revaluation Error
- Valuation Directions from HM Treasury
- Abolition of the Lifetime Allowance
- Pension Dashboards

2 Information

2.1 Age Discrimination Remedy

2.1.1 The Home Office [responded](#) to the consultation on the retrospective remedy regulations on 19th July 2023 and [The Firefighters' Pensions \(Remediable Service\) Regulations 2023](#) came into effect on 1st October 2023.

2.1.2 The regulations set out how scheme managers must implement the 'retrospective remedy' for in-scope members, using the framework and powers provided by the PSPJOA 2022 and Treasury Directions.

2.1.3 The regulations cover:

- Remediable Service Statements
- Immediate Choice members
- Deferred Choice members
- Contingent Decisions
- Payment of liabilities by the scheme and/or member
- Other cases, including divorce, transfers, ill-health, voluntary contributions etc.

2.2 Remedy Tax Regulations No. 2

2.2.1 [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023](#) came into force on 14th September 2023.

2.2.2 As outlined at the previous meeting, these regulations determine the tax treatment of certain additional payments or changes to benefits that arise because of remedy. They also make further provisions for the administration of changes to pension tax charges for the 'in-scope' tax years 2019-20 to 2022-23 and how members should report these to HMRC.

2.3 Retained Firefighters' Pensions Settlement ('Matthews')

- 2.3.1 The Home Office [responded](#) to the consultation on retained firefighters' pension settlement (second options exercise) on 8th September 2023. [The Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) came into effect on 1st October 2023.
- 2.3.2 The regulations provide for the second pension options exercise for in-scope retained firefighters to take place between 1st October 2023 and 31st March 2025, following the Memorandum of Understanding agreed between the government and the unions in March 2022.
- 2.3.3 The options exercise will allow in-scope serving and former retained firefighters to retrospectively purchase Special membership of the 2006 Firefighters' Pension Scheme. This will provide a pension benefit comparable to that available to wholetime firefighters employed before 6th April 2006.

2.4 CARE Revaluation Error

- 2.4.1 We were made aware in July 2023 (see Annex A) that there was an error in the revaluation of FPS 2015 CARE pension accounts in April 2021 and April 2022. This resulted from provisional Average Weekly Earnings (AWE) growth figures being used in the relevant Treasury Revaluation Orders instead of the revised ones and means benefits have been slightly understated.
- 2.4.2 The Home Office has instructed scheme managers to correct this error in advance of amending legislation. WYPF have confirmed that they are applying this correction for current retirements and that they are aiming for all members to be corrected for production of the 2024 annual benefit statements.

2.5 Valuation Directions from HM Treasury

- 2.5.1 HM Treasury published [The Public Service Pensions \(Valuations and Employer Cost Cap\) Directions 2023](#) in August 2023.
- 2.5.2 These Directions update the assumptions to be used in the 2020 and future valuations of public service pension schemes and provide a revised method of calculating the Employer Cost Cap.
- 2.5.3 The revised Cost Cap arrangements will exclude any legacy scheme costs and include an economic check. Under the economic check, any benefit changes because of a breach of the Cost Cap will only be made if the same breach would have occurred when a change in long-term economic assumptions is factored into the calculation.
- 2.5.4 For example, a Cost Cap floor breach could occur due to a downward trend in future life expectancy, which means the cost of benefits is lower than is being provided for. However, if the economic check is then performed and future GDP growth is lower than previously assumed, this will bring the cost of benefits back up and could reduce or remove the floor breach, resulting in no changes to benefits.

2.6 Abolition of the Lifetime Allowance

- 2.6.1 HMRC published a [policy paper](#) as part of the Chancellor's 2023 Autumn Statement with further information on how the Lifetime Allowance will be abolished from 6th April 2024.
- 2.6.2 As a result of the abolition, benefits paid as a pension, which are put into payment from this date, will be subject to income tax only.

- 2.6.3 The Finance Bill 2023-24 introduces two new allowances to limit the amount of tax-free cash that can be paid from a pension, the Lump Sum Allowance, set at £268,275, and the Lump Sum and Death Benefit Allowance, set at £1,073,100.
- 2.6.4 Pension Commencement Lump Sums will be limited to 25% the value of an individual's benefits or the Lump Sum Allowance of £268,275, whichever is lower. People with current Lifetime Allowance protections will have higher allowances. The HMRC paper explains that the new regulations will include a provision for individuals to take a Pension Commencement Excess Lump Sum, taxed at their marginal rate, where their pension lump sum entitlement exceeds the Lump sum Allowance, and their pension capital value exceeds the Lump Sum and Death Benefit Allowance.
- 2.6.5 The Lump Sum and Death Benefit Allowance limits the total amount of tax-free lump sums and lump sum death benefits that are paid to and in respect of an individual to £1,073,100.

2.7 Pension Dashboards

- 2.7.1 [The Pensions Dashboards \(Amendment\) Regulations 2023](#) came into force on 9th August 2023.
- 2.7.2 These regulations introduce a new deadline of 31st October 2026 for all pension schemes to connect to the pensions dashboard system. This replaces the previous staging timetable; however, the regulations provide for the DWP to issue statutory guidance in relation to connection that schemes must have regard to. This guidance will include when public service pension schemes are expected to connect to the system, and it is expected to be issued in Spring 2024.
- 2.7.3 There are no changes to the regulations regarding the dashboards available point, which is the point at which the system will go live for the public. This will be announced, with at least 6 months' notice, by the DWP Secretary of State and could be before or after the connection deadline of 31st October 2026, depending on levels of coverage, assurance of the safety and reliability of the service and testing of the user experience.
- 2.7.4 WYPF have confirmed that they have appointed Bravura as their integrated service provider (ISP) for pension dashboards. The ISP will provide the online services to allow WYPF to connect to the dashboard system and respond to users' requests to find and view their benefits. WYFRS is committed to working with WYPF to help with dashboard preparations by providing high-quality personal and employment data via the monthly return and year-end processes, as well as cleansing historic data.

2.8 Other Updates

- 2.8.1 The following Statutory Instruments have been passed:
- [The Firefighters Pensions \(Remediable Service\) Regulations 2023](#) [SI2023/843]
- [The Pensions Dashboards \(Amendment\) Regulations 2023](#) [SI2023/858]
- [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023](#) [SI 912/2023]
- [Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) [SI2023/986]

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

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Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.

10 Conclusions

10.1 This report is for information only



To: Fire and Rescue Authorities, England
 From: Peter Spreadbury

Re: HMT Written Ministerial Statement in Parliament on 6 July 2023 outlining the identified error in the Treasury Revaluation Orders for 2021 and 2022.

[Written statements - Written questions, answers and statements - UK Parliament](#)

Dear Colleague

Treasury Revaluation Orders are used to revalue in-service benefits for members of the 2015 Firefighters' Pension Scheme, under the Firefighters' Pension Scheme (England) Regulations 2014 (SI 2014/2848).

In the statement, HM Treasury made clear that during the work leading up to the laying of the Treasury Revaluation Order published in 2023 an error had occurred. The 2021 and 2022 Treasury Revaluation Orders had used a provisional increase figure in November of that year rather than a revised figure in December which was used in the previous Orders from 2015 to 2020.

Whilst the legislation setting out how the revaluation is applied does not specifically state how a figure of Average Weekly Earnings growth is obtained for the purposes of revaluation, the Government intends to correct the position to align the Treasury Revaluation Orders for 2021 and 2022 with those of the previous years. This will result in an increase of 0.2% for 2021 and 0.4% for 2022. Scheme Managers will be required to correct this error retrospectively.

We do not anticipate any change to the increase to member benefits of 0.2% for 2021 and 0.4% for 2022, as set out in HM Treasury Written Ministerial Statement. That said, the Home Office intends to consult on amendments to the Firefighters' Pension Scheme (England) Regulations 2014, to ensure regulation changes achieve the desired outcome. In the meantime, HO asks all fire and rescue authorities in England to apply the below with immediate effect.

In respect of correcting the affected years for any member that is impacted, with immediate effect:

- Scheme managers should apply the necessary administration changes needed to correct the error that occurred in the 2021 and 2022 revaluation orders for affected members' benefits in advance of the regulatory changes being made, as set out in the Written Ministerial Statement from HM Treasury.



OFFICIAL

Age Discrimination Remedy

Local Pension Board

Date: 19 January 2024

Agenda Item:

09

Submitted By: Director of HR

Purpose To provide an update to Members for the implementation of the age discrimination remedy.

Recommendations That the report be noted.

Summary It is one of the requirements of the Local Pension Board that Members scrutinise areas relevant to the administration of the Firefighters' Pension Scheme.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: Annex A – Active Member Warm Up Letter
Annex B – Pensioner Member Warm-up Letter

1 Introduction

- 1.1 Local Pension Boards are required to assist the Scheme Manager in securing compliance with the regulations that govern the Firefighters' Pension Scheme.
- 1.2 In accordance with this requirement, an update has been provided on the implementation of the legislation that provides for the age discrimination remedy.

2 Information

2.1 Warm-Up Letter

- 2.1.1 During September 2023 WYPF issued 'warm-up' letters to all individuals who are in-scope for the remedy, informing them that their service during the remedy period will be rolled back into their legacy final salary scheme and that they will receive a Remediable Service Statement (RSS) showing their revised pension position post-remedy.
- 2.1.2 The letter included indicative timescales for the receipt of the RSS and examples for an active member and pensioner member can be found at Annexes A and B respectively.
- 2.1.3 The sending of the letters ensures that the statutory requirement to disclose changes to pension scheme members' benefits within 3 months of the change is met.

2.2 Deferred Choice Members (Retirements from 1 October 2023)

- 2.2.1 The Local Government Association (LGA) have commissioned an external agency to provide templates for the various RSSs that will be required to be used by all Fire and Rescue Authorities (FRAs). Unfortunately, they are yet to deliver a final template for members who are entitled to retire from 1st October 2023 and make their deferred choice. However, an interim solution and covering letter were provided by the LGA via FPS bulletin 72 so that FRAs could provide an RSS and process retirements for these individuals.
- 2.2.2 WYFRS processed 8 deferred choice retirement cases using the interim solution from 1st October 2023 to 31st December 2023. The above issue meant that some RSSs were not provided to individuals who retired in early October until a matter of days before their retirement. However, all lump sum and pension benefits were paid without them experiencing any further delay.
- 2.2.3 For individuals yet to retire, the aim is to provide their first RSS with their 2024 annual benefit statement before 31st August 2024; however, the legal deadline for provision is 31st March 2025 if this cannot be met.

2.3 Immediate Choice Members (Retirements before 1 October 2023)

- 2.3.1 The Immediate Choice RSS was delivered by the LGA at the end of December 2023. This will allow administrators to begin testing and ultimately start issuing these to individuals. The highest priority cases are ill-health, death in service beneficiaries, and unprotected and taper protected FPS 1992 pensioners. These are all expected to be issued with their RSS by November 2024, with the most recent retirements prioritised, as agreed by the Fire Scheme Advisory Board.

- 2.3.2 WYFRS are committed to helping WYPF process pensioners who remain with an immediate detriment receive their RSSs as quickly as possible. Initial remedy financial (pay and contributions) data has already been provided by the deadline set by WYPF, and we have extracted the additional tax data that will be required to calculate the contribution adjustment information that will form part of the RSS once WYPF are ready to produce these.

2.4 GAD Calculator

- 2.4.1 In September 2023, the Government Actuary's Department (GAD) released a calculator for FRAs to calculate contribution adjustments, including tax relief and interest, for members in-scope for remedy.
- 2.4.2 The calculator requires the inputting of contribution and tax data for the relevant remedy tax years (2015-16 to 2021-22) and works out the net money owed by members to the scheme for underpaid contributions, and compensation owed by the scheme to the member for overpaid contributions, where applicable.
- 2.4.3 WYFRS have already calculated the gross contribution differences for all members in-scope for remedy as part of the financial data request by WYPF. We are currently working on an additional payroll data extract with Kirklees Council for the tax data required by the GAD calculator. WYPF have informed us that the results need to be provided to them by 31st March 2024 for inclusion in the annual benefit statement RSSs.
- 2.4.4 For individuals currently retiring, Kirklees Council can provide us with the tax data required on an ad-hoc basis so that we can include the contribution adjustment in their deferred choice RSS retirement pack and process this in line with their benefit choice.

2.5 Ill-Health Reassessments

- 2.5.1 The remedy regulations require FRAs to reassess the ill-health applications for individuals who retired under the FPS 1992 or FPS 2006 Special from 1st April 2015. This is because they are entitled to a choice of whether their current legacy scheme or the FPS 2015 should apply for their remedy period service.
- 2.5.2 To determine whether they are entitled to ill-health benefits under the FPS 2015, their cases need to be reassessed by the IQMP. This is because the FPS 2015 requires the firefighter to be permanently disabled to age 60, rather than their legacy pension age of 55.
- 2.5.3 To perform a reassessment, WYFRS wrote to 15 affected ill-health pensioners to request their consent to reassess their case on 15th August 2023, followed by a reminder letter on 16th October 2023. The current situation is as follows.

Consent received, awaiting GP records	9
Cases referred to IQMP	1
Cases awaiting WYFRS decision	2
Consent not received	3

- 2.5.4 If consent is not received from an individual, then they will continue to receive their current legacy benefits and be offered a choice of standard FPS 2015 benefits as their remedy alternative.

2.6 Contingent Decisions

- 2.6.1 A Contingent Decision (CD) is a decision taken by an individual that would have been different had it not been for the discrimination identified by the courts. The regulations cover 3 types of contingent decision: opt-outs, purchase of added years and transfers.
- 2.6.2 The regulations provide for a scheme manager to consider CD applications based on evidence provided by the applicant. However, the scheme manager must not refuse an opt-out CD application where the opt-out occurred within 6 months of the applicant's original date of transition to the FPS 2015.
- 2.6.3 The LGA released some [Contingent Decisions Guidance for Scheme Managers](#), which advises that for individuals who opted out of the FPS 1992 before 1st April 2015 who choose to make an opted-out service election under the CD provisions, they can only opt back into the FPS 2006. This is because at the point they originally opted out, the FPS 1992 was a closed scheme with no option to opt-out and rejoin. The PSPJOA 2022 provides no powers for scheme rules to be altered outside of the remedy period.
- 2.6.4 WYFRS have identified 36 individuals who will either be automatically eligible to make a successful opt-out application or have indicated that they intend to make an application and provide evidence for their original opt-out. Most of these cases opted out prior to 1st April 2015 and it is expected that they will be unhappy at the prospect of not being able to opt back into the FPS 1992 where they originally joined this scheme.
- 2.6.5 CD cases are expected to be dealt with in the first half of 2024 in line with remedy timetabling agreed nationally. WYFRS will be writing out to those identified above to inform them that they can make an application.

3 Financial Implications

- 3.1 There are no financial implications arising directly from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report.

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report.

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Provide ethical governance and value for money.

10 Conclusions

10.1 This report is for information only.

Dear

Firefighters' Pension Schemes – Age Discrimination Retrospective Remedy

In 2015, new laws introduced a new scheme for firefighters - the Firefighters' Pension Scheme 2015 (FPS 2015). These laws included protections which meant that some members of the legacy schemes (FPS 1992 and FPS 2006) didn't join FPS 2015 either straight away or at all, depending on their age. After a legal challenge, the courts determined that these protections were age discriminatory.

Following consultation, the Public Service Pensions and Judicial Offices Act 2022 came into force on 1 April 2022 to remedy the discrimination.

[We wrote to you on [INSERT DATE] to let you know that you were eligible under the 2015 age discrimination remedy.]

Following further consultation, the Firefighters' Pensions (Remediable Service) Regulations 2023 were laid and will come into force on 1 October 2023 to allow for retrospective remedy which covers the period 1 April 2015 to 31 March 2022.

As we approach October, both the Fire and Rescue Authority (FRA) and the pension administrators, are preparing to implement processes and systems to ensure that remedy can be implemented as quickly as reasonably practicable.

On 1 October 2023 your pension for the remedy period will be 'rolled back' to your legacy scheme. This will be either the 1992 or 2006 Scheme. You do not need to do anything; this will be done automatically.

Information will be made available to you about your benefit options, through a Remediable Service Statement (RSS) for the remedy period. The RSS must be sent to you between October 2023 and March 2025 [and is likely to be included with your Annual Benefit Statement in the summer of 2024]. [REMOVE IF NOT RELEVANT]

For members retiring from 1 October 2023, you will be automatically provided with an RSS upon retirement. How quickly this can be provided to you, however, will be reliant upon several factors,

- a) whether the pension administrators have received the relevant information that is needed from your Fire and Rescue Authority (FRA).
- b) whether the pension administration software provider has implemented the relevant system changes, and whether there are any manual workarounds needed, which may increase the turnaround times for completion.

It is also important to note that if you are retiring in early October work to calculate your pension options will need to be carried out before the regulations have come into force, to allow enough time for you to make your decision. Any figures provided will therefore be an estimate and may therefore be subject to change.

The RSS will show any contribution adjustment and interest due. The contributions will also be subject to a tax relief adjustment.

Before any pension or lump sum arrears can be paid the pension contribution adjustments need to be made.

Information about the Firefighters' Pension Schemes, including FPS 2015 contribution rates and the 2015 age discrimination Remedy, can be found here <https://fpsmember.org/>

Yours sincerely

Dear

Firefighters' Pension Schemes – Age Discrimination Retrospective Remedy

In 2015, new laws introduced a new scheme for firefighters - the Firefighters' Pension Scheme 2015 (FPS 2015). These laws included protections which meant that some members of the legacy schemes (FPS 1992 and FPS 2006) didn't join FPS 2015 either straight away or at all, depending on their age. After a legal challenge, the courts determined that these protections were age discriminatory.

Following consultation, the Public Service Pensions and Judicial Offices Act 2022 came into force on 1 April 2022 to remedy the discrimination.

[We wrote to you on [INSERT DATE] to let you know that you were eligible under the 2015 age discrimination remedy.]

Following further consultation, the Firefighters' Pensions (Remediable Service) Regulations 2023 were laid and will come into force on 1 October 2023 to allow for retrospective remedy which covers the period 1 April 2015 to 31 March 2022.

As an unprotected member who was transitioned into the Firefighters Pension Scheme 2015 (FPS 2015) on 1 April 2015 this means that you will be able to choose to receive either FPS 2015 benefits or legacy scheme benefits (FPS 1992 or FPS 2006 (standard or special)) for the remedy period.

Information will be made available to you about your benefit options, through a Remediable Service Statement (RSS) for the remedy period. The RSS will be sent to you between October 2023 and November 2024.

Information about the Firefighters' Pension Schemes, including FPS 2015 contribution rates and the 2015 age discrimination Remedy, can be found here <https://fpsmember.org/>

Yours sincerely



OFFICIAL

Matthews Remedy Update

Local Pension Board

Date: 19 January 2024

Agenda Item:

10

Submitted By: Director of HR

Purpose	To provide an update to Members for the implementation of the Matthews remedy.
Recommendations	That the report be noted.
Summary	It is one of the requirements of the Local Pension Board that Members scrutinise areas relevant to the administration of the Firefighters' Pension Scheme.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: Annex A – Expression of Interest Letter
Annex B – Expression of Interest Form

1 Introduction

- 1.1 Local Pension Boards are required to assist the Scheme Manager in securing compliance with the regulations that govern the Firefighters' Pension Scheme.
- 1.2 In accordance with this requirement, this paper provides members with an update on the latest activity regarding the implementation of the second pension options exercise for current and former retained firefighters, following the coming into force of the legislation on 1st October 2023. The exercise will allow in-scope individuals to purchase pensionable service in the FPS 2006 as a Special Member. This scheme provides comparable benefits to the FPS 1992.

2 Information

2.1 In-scope Members

- 2.1.1 The exercise is open to any individual who:
- was employed as a retained firefighter at any date during the period 7 April 2000 and 30 June 2000 inclusive (these individuals are 'Cohort 1').
 - was employed as a retained firefighter at any date during the period 7 April 2000 and 30 June 2000 inclusive and also between 1 July 2000 and 5 April 2006 inclusive (these individuals are 'Cohort 2').
 - was employed as a retained firefighter at any date during the period 1 July 2000 and 5 April 2006 inclusive and should have been eligible to join the modified scheme as part of the 2014 Options exercise but was not given an opportunity (these individuals are 'Cohort 3').
- 2.1.2 WYFRS has identified a total of 238 individuals in scope for the exercise. 1 in Cohort 1, 160 in Cohort 2, and 77 in Cohort 3. There are also 4 deceased individuals whose beneficiaries may be due an additional death grant.

2.2 Expression of Interest Mailing

- 2.2.1 Disclosure regulations mean that individuals must be informed about changes to their pension benefits within 3 months of the regulations coming into force on 1st October 2023. The initial mailing, inviting individuals to make an application for a Statement of Service, was sent in 4 batches, with the final one being sent on 18th December 2023 to comply with the disclosure requirement. A sample letter and form can be found at Annexes A and B respectively.
- 2.2.2 176 letters were sent. WYFRS do not hold current address data for the remaining 62 individuals. This is a technical breach of disclosure regulations and has been discussed in a separate paper. Various attempts at tracing individuals have been made including:
- DWP Bulk Letter Forwarding Service (currently pending with DWP)
 - Internal WYFRS communications asking current staff to contact former retained firefighters
 - Directly contacting current and former staff who worked with the individuals and may still be in contact with them
 - Tracing via FBU records

- Sending letters to the last known address asking the current occupier to contact us
- Facebook searches

2.2.3 These attempts have so far resulted in around 50 additional addresses being confirmed than would otherwise be the case.

2.3 GAD Calculator

2.3.1 The Government Actuary's Department released the calculator to be used for special service statements in November 2023. The first version of the calculator does not include functionality for those individuals who opted to take part in the first exercise and a second version is expected in early January 2024. WYFRS therefore only included individuals who would be included in the first version in the earlier mailings.

2.3.2 The calculator outputs the contribution and interest amounts that are required to be paid by the prospective Special member either by lump sum or by periodic contributions, as well as an illustration of the benefits this will purchase. It also calculates any backdated lump sum and pension arrears, plus interest, that are due to pensioners, against which contribution amounts can be offset.

2.4 Current Position

The table below summaries the current position of the project.

Expression of Interest Letters Sent	Expressions of Interest - Yes	Expressions of Interest - No	Statements of Service Sent	Election Forms Received - Yes	Election Forms Received - No
176	26	0	0	0	0

3 Financial Implications

3.1 Funding for backdated pensions and lump sums payable will be claimable via the top-up grant.

3.2 The additional pension liabilities that arise from the exercise will be funded as part of the employer contribution rate calculated in future valuations.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report.

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report.

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Provide ethical governance and value for money.

10 Conclusions

10.1 This report is for information only.



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«Forename» «Surname»
«Address_Line_1»
«Address_Line_2»
«Address_Line_3»
«Address_Line_4»
«Post_Code»

Our Ref:
«Service_No»

Date: 14 November 2023

Dear «Forename»

The Retained Firefighters' Pension Settlement – Second Options Exercise

When you started your employment as a retained firefighter with West Yorkshire Fire and Rescue Service, although you were covered by the same injury and compensation provisions as applied to regular firefighters, you were unable to join the Firefighters' Pension Scheme 1992 (FPS 1992).

Following a legal judgement (more information available in the Legal bit section) we have identified that you meet the criteria to be in scope to join the retained modified scheme.

The pension benefits on offer under the terms of the modified scheme are comparable, albeit different to those provided under the terms of FPS 1992.

Please note that those who were employed on retained duties **and** as a whole-time regular firefighter under the same contract of employment are not eligible to join the modified scheme.

What do you need to do?

Please read the details in this letter and the accompanying RDS employee informal guidance that sets out the terms of the modified scheme. This information is also available online at www.fpsmember.org/fps-2006-special-members/second-options-exercise.

If you are interested in joining the modified scheme then it is important that you complete the attached form and return it **within 6 months** of the date of this letter to your current employing fire and rescue authority or, in the case where you are no longer employed as a retained firefighter, to your last employing fire and rescue authority.

Please note that if you fail to respond to this notification, your option to join the modified scheme may be lost. Once the options exercise has concluded (31 March 2025) there will be no further opportunity to join. The enclosed form **must** be completed **within 6 months** and returned regardless of whether you intend to join.

Options Exercise

Following the Legal Judgement and Memorandum of Understanding fire and rescue authorities are required to undertake a second options exercise to provide those individuals affected with an opportunity to join the modified scheme.

If you are interested in joining the modified scheme and have previously joined the Firefighters' Pension Scheme 2006 (FPS 2006) from 6 April 2006 in respect of your retained employment, you will have the option of converting your FPS 2006 service to service in the modified scheme.

If you were part of the first options exercise and have service between 7 April 2000 and 30 June 2000, you will now have the option to purchase all your retained service, providing that it is continuous retained service, from date of employment. You will also be given the choice as to whether you wish to retain your option for your service from 6 April 2006 or change this.

If you express an interest in joining the modified scheme on the 'expression of interest form' enclosed, the details you provide will be treated at this stage as a request for further information and will not bind you to purchase pension rights. This information will be used to provide you with a personalised statement of the past service in respect of which you may be entitled to purchase, and to provide you with a quote on how much it will cost you to purchase that service. There will be **no commitment** to purchase any service at this stage.

If you were employed as a retained firefighter by more than one fire authority during the relevant period, you should make your latest or current employing fire authority aware, so that they can provide you with your options. You will also need to confirm on your expression of interest form whether you would like to combine the periods of retained service as a single membership. In this case, your last employing fire authority will liaise with your former employing authorities to determine your entitlement.

A Data Sharing Agreement will be put in place, to allow for your previous fire authority to share your personal details, that are required for this exercise.

The employee contribution rate for purchasing the backdated service will reflect the contribution rate payable in FPS 1992 i.e., 11% of pensionable pay before April 2012 and the relevant contribution tariff in FPS 1992 for any period on or after April 2012. There will be several available options for individuals to pay back these contributions, please refer to the accompanying employee information leaflet.

Compensatory Injury Awards

Under the current terms of the Firefighters' Compensation Scheme there is a protected right for retained firefighters appointed before 6 April 2006 to receive a whole-time equivalent injury award and compensatory ill-health pension where they are permanently disabled whilst undertaking their role as a firefighter i.e., a qualifying injury. You will wish to note that this protected right **was removed** from 1 April 2014 regardless of whether you elected to join the modified scheme.

Any retained firefighter who suffers a qualifying injury on or after 1 April 2014 will receive a pro-rated injury award to reflect the part-time status of their employment. This is the same treatment. The removal of these rights **will not affect** those former retained firefighters currently in receipt of an injury award.

Next Steps

Once we have received your completed expression of interest form, we will respond to you in writing setting out the amount of service you are entitled to purchase and the full cost of purchasing this past service. Once you have received the quote you will **have 6 months** to confirm that you wish to join the modified scheme; it will be at this stage that you will be required to commit to paying the backdated contributions, including interest. Further details can be found in the employee information leaflet, which is available from the website linked to above.

Please note that we hold very limited pay information for the period prior to 1 July 2000. If you can provide any relevant documentation, such as P60s or wage slips, then this will be helpful in determining your actual pay received and your statement of service will be based on this. If you are unable to provide this evidence, then the regulations allow us to make assumptions regarding retained firefighters' earnings during this period. Please enclose copies of any documentation when you return your expression of interest form either by post or by email to pensions@westyorksfire.gov.uk.

Where practical, acknowledgements will be sent by email, and guidance documentation will be linked to the www.fpsmember.org. If you require anything in hard copy, please contact us directly.

If you have any questions about membership of the new modified scheme or would like additional information about this options exercise, please contact me on the number below or email pensions@westyorksfire.gov.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Clarkson', is positioned above the printed name.

James Clarkson
Pensions Manager
01274 682311 (ext. 680157)

Please read the Employee information leaflet before completing this form.
**This form must be completed and returned to West Yorkshire Fire and Rescue Service by
 18 June 2024**

Retained settlement: expression of interest in joining the modified scheme

Application for statement of special service

Complete in BLOCK CAPITALS:

Surname

Forename(s)

Address

.....

Email Address.....

Date of Birth.....

National Insurance number

Details of your retained employment:

From	To	Fire Authority	Station

Tick Yes or No below to indicate your wishes:

- ☐ **Yes**, I wish to receive more details with regards to joining/paying for more eligible service in the modified scheme
- ☐ No, I **do not** wish to join the modified scheme

If you have ticked yes please indicate if you are interested in the following options*:

- ☐ I wish to consider transferring my deferred 1992 Scheme pension benefits to my membership under the modified pension arrangements (**see the relevant section of the information leaflet**)
- ☐ I wish to be considered for a retrospective ill-health pension under the modified pension arrangements (**see the relevant section of the information leaflet**)

* the above options will be subject to you satisfying the qualifying conditions

Please note that you will be provided with the relevant conversion options that you are eligible for unless you tell us otherwise. (**see the relevant section** in the information leaflet)

Additional information

If you are interested in converting service between the standard FPS 2006 benefits and the modified pension arrangements, please provide the date that you joined FPS 2006 and details of the FRA responsible for administering your pension.

.....
.....

If you are interested in transferring your deferred FPS 1992 benefits to the modified pension arrangements, please provide the date when you left your employment as a regular firefighter and details of the FRA which employed you.

.....
.....
.....

If you left your employment as a retained firefighter on or after 6 April 2006 and immediately, without a break in service, became a regular firefighter, please provide the start and finish dates of this employment and details of the FRA which employed you.

.....
.....
.....

If you are interested in obtaining a personal statement on the costs of joining the modified pension arrangements and have supporting documentation that will assist the fire and rescue authority to assess your earnings over the period pre and including 7 April 2000 and 30 June 2000 or 1 July 2000 to 31 March 2014 (if you are eligible for this period in the second options exercise), please can you submit it with this form.

If you do not have any supporting documentation your fire and rescue authority will still be able to decide on your earnings during this period.

Please ensure that you update your address/email address accordingly to ensure we can continue to correspond with you.

Where practical we will acknowledge receipt by email and provide guidance documentation by links to www.fpsmember.org If you require anything in hard copy, please contact us.

I declare that I have read the covering letter and employee information leaflet before making my request on this form.

Please return the completed form by one of the following:

- Scan and email to pensions@westyorkshire.gov.uk
- Post to **WYFRS, Human Resources, Oakroyd Hall, Bradford Road, Birkenshaw BD11 2DY**

Signed Date

Print Name:.....



OFFICIAL

Pensions Ombudsman Update

Local Pension Board

Date: 19 January 2024

Agenda Item:

11

Submitted By: Director of HR

Purpose	To present Members with information on recent Pensions Ombudsman rulings related to the Firefighters' Pension Scheme and other relevant schemes.
Recommendations	That the report be noted.
Summary	<p>It is a requirement of the Public Service Pensions Act 2013, and subsequent 2015 regulations, for Members of a Local Pension Board to have a knowledge and understanding of the law relating to pensions and such other matters.</p> <p>It is advised by the Local Government Association that, in order to secure compliance with the legislation relating to the governance and administration of the Firefighter Pension Schemes, Members should review Pensions Ombudsman cases.</p>

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorksfire.gov.uk

Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 It is a requirement under the Public Service Pensions Act regulations that Members of a Local Pension Board had a knowledge and understanding of the governance and administration of the relevant pension schemes.
- 1.2 Updates have been provided on 2 Pensions Ombudsman decisions that were published in the period 1st July 2023 to 31st December 2023.

2 Information

2.1 [The New Firefighters' Pension Scheme \(modified section for retained firefighters\) \(CAS-72510-R0F4\)](#)

- 2.1.1 The complaint for the Firefighters' Pension Scheme relates to the 2014 options exercise for FPS 2006 Special Members and the application of interest when contribution arrears are paid by the firefighter by monthly instalments over 10 years.
- 2.1.2 Mr S complained it was not clear how much interest he would be required to pay when he made his election to join the scheme as a Special Member, encountered delays when requesting information from his FRA, and did not receive an apology for the distress and inconvenience caused.
- 2.1.3 The ombudsman did not uphold the complaint but noted that, whilst a simple calculation of the monthly instalment multiplied by 120 would have shown a higher total repayment figure including future interest, the communications Mr S were sent during the election process could have included a more detailed explanation. The ombudsman regarded this as poor administration, rather than maladministration.
- 2.1.4 The Ombudsman noted that some of the delays Mr S experienced in receiving responses from his FRA did amount to maladministration but did not cause enough distress and inconvenience to merit a compensation award, and that an apology from his FRA was provided.
- 2.1.5 This case demonstrates the importance of clear and timely communications to enable individuals to make informed decisions. The LGA and Government Actuary's Department have acknowledged that the calculation results and subsequent communications sent in respect of the 2014 exercise could have been clearer about future interest. This has been rectified for the 2023 exercise so that firefighters can see the total repayment, and how much relates to interest, when they elect to pay periodically.

2.2 [Metropolitan Police Pension Scheme \(CAS-65467-Y9L5\)](#)

- 2.2.1 The complaint for the Police Pension Scheme relates to an administrator enquiry over whether an individual in receipt of an injury pension was entitled to any state benefits. These benefits must be deducted from injury pensions and similar regulations apply to the Firefighters' Compensation Scheme. The complainant alleged that the administrator used threat and deceit to try and obtain his confidential information.
- 2.2.2 The Ombudsman did not uphold the complaint and held that the administrator was required to enquire about whether an injury beneficiary was entitled to state benefits under the relevant regulations. The contents of their letter were held to be appropriate and reasonable, did not contain a threat to stop the individual's pension, and sending it did not amount to maladministration.

- 2.2.3 This complaint demonstrates the difficulties that can be encountered with sensitive cases relating to ill-health and injury. That the complaint was not upheld shows the scheme was required to undertake the review of state benefits and it was not maladministration to request this information.

3 Financial Implications

- 3.1 There are no financial implications arising directly from this report.

4 Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

- 5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

- 9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Provide ethical governance and value for money.

10 Conclusions

- 10.1 This report is for information only

OFFICIAL

West Yorkshire Pension Fund Key Performance Indicators

Local Pension Board

Date: 19 January 2024

Agenda Item:

12

Submitted By: Director of HR

Purpose	To inform Members of West Yorkshire Pension Fund's performance in key areas for the periods 1 July 2023 to 31 December 2023.
Recommendations	That the report is noted.
Summary	This report informs Members of the Authority's key areas against which West Yorkshire Pension Fund measure their level of service.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
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Background papers open to inspection: None

Annexes: None

1 Introduction

1.1 The KPI report presents performance data from West Yorkshire Pension Fund in several key areas. Some of the areas included are as follows:

- Transfer in and out quotes
- Divorce quotes
- Pension estimates
- Deferred benefit set up
- Retirement quotes
- Retirement actuals
- Payroll changes
- Death notifications

2 Information

WORKTYPE	TOTAL	TARGET	MET	MIN	TARGET	AVERAGE
Age 55 Increase to Pension	8	20	8	85	100	4.13
Change of Address	22	20	22	85	100	1.95
Change of Bank Details	24	20	24	85	100	2.63
Death in Retirement	26	10	13	85	50	12.73
Death on Deferred	2	10	1	85	50	19.5
Deferred Benefits Into Payment/Payment of Lump Sum	7	3	7	85	100	3
Deferred Benefits Into Payment Quote	4	35	2	85	50	27.75
Deferred Benefits Set Up on Leaving	13	20	3	85	23.08	36.77
Dependant Pension To Set Up	11	10	11	100	100	2.09
Divorce Quote	1	40	1	85	100	3
Divorce Settlement/ Pension Sharing order Implemented	1	80	1	100	100	6
General Payroll Changes	85	20	85	85	100	2.86
Initial letter Death in Retirement	26	10	24	85	92.31	2.42
Initial letter Death on Deferred	2	10	2	85	100	1
Injury Review	2	20	2	100	100	1
Life Certificate	68	10	65	85	95.59	4.12
NI adjustment to Pension at State Pension Age	35	20	35	85	100	5.31
Pension Estimate	34	10	17	90	50	13.76
Pension Set Up/Payment of Lump Sum	20	3	20	85	100	3
Retirement Actual	20	10	20	90	100	2.95
Set Up New Spouse Pension	11	5	11	85	100	2.09
Transfer In Quote	5	35	5	85	100	24.8
Transfer Out Quote Fire	2	35	2	85	100	1
Update Member Details	25	20	25	100	100	2.12

Total	454 cases				87.96%	
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2.1 Deferred benefits set up on leaving are cases where a member leaves and is not entitled to retire. WYPF write to the member to inform them that they have a deferred benefit within the statutory timescale of 2 months, but the benefit values may follow later. Due to workloads on the administration team, these cases are regularly deprioritised to deal with more urgent cases such as retirements, resulting in the target not being met.

2.2 Pension estimates did not meet target due to cases where the retirement date is further in the future being deprioritised for more urgent work.

2.3 Death in retirement did not meet due to workloads on the team.

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorksfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Continuously improve using digital and data platforms to innovate and work smarter.

10 Conclusions

10.1 This report is for information only



OFFICIAL

Firefighters' Pensions Bulletins 71-76

Local Pension Board

Date: 19 January 2024

Agenda Item:

13

Submitted By: Director of HR

Purpose	To inform Members of the contents of the bulletins published since the last Local Pension Board meeting.
Recommendations	That the report is noted and any actions arising from the bulletins are acted upon (where appropriate).
Summary	Included in this report are the actions arising from each bulletin and an update of the status of the actions.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: James Clarkson – Pensions Manager
T: 01274 682311 ext. 680157
E: james.clarkson@westyorkshire.gov.uk

Background papers open to inspection: None

Annexes: None

1 Introduction

- 1.1 The Local Government Association (LGA) produces a monthly bulletin which provides pension practitioners with updates on various pension related issues.
- 1.2 The bulletins are sent to Administrators, Scheme Managers, FRA pension contacts and LPB chairs as a matter of course.
- 1.3 There is an expectation of Members to scrutinise each bulletin and seek assurance from the Scheme Manager that all actions arising have been identified and acted upon.

2 Information

- 2.1 [FPS Bulletin 71 – July 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Home Office collection of FPS forecasts for 2023-24 to 2028-29 FRAs should ensure that they are using the correct CPI rates in their forecasts and ensure that they meet the submission deadline. FRAs should also look out for the Home Office's follow up email, if you are affected and engage with them accordingly, to ensure the data submitted is accurate.	FRA	Complete
Age discrimination remedy – retrospective remedy FRAs and administrators to read the response and ensure that they are working to be ready for the regulations' implementation on 1 October 2023	FRA/Administrator	Complete
Age discrimination remedy – Contributions Calculator inputs FRAs and administrators may wish to familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data. A full data specification will be available in due course.	FRA/Administrator	Complete

Age discrimination remedy – Interest and Tax FRAs and administrators should take note of this position, to ensure that they act accordingly when carrying out remedy.	FRA/Administrator	Complete
Age discrimination remedy – Pension scams Administrators and/or FRAs to add the suggested wording to the pension webpages.	FRA/Administrator	Complete
Age discrimination remedy – warm up letters FRAs/administrators should use these to communicate with their members ahead of October 2023.	FRA/Administrator	Complete
Age discrimination remedy – Ill health reassessment member outcome letters Once the IQMP has provided their determination and FRAs have considered this and agree with the outcome, FRAs should send these using the relevant member outcome letter.	FRA	In progress
Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation FRAs and administrators to make themselves aware of this issue and start scoping the work involved.	FRA/Administrator	Complete
Government Actuary Department (GAD) – updated factors FRAs and administrators to ensure that they are using the revised factors from the relevant implementation dates.	FRA/Administrator	Complete

Abolishing the pensions lifetime allowance FRAs and administrators to make themselves aware of the measures involved and consider whether they wish to respond to the consultation.	FRA/Administrator	Complete
Age discrimination remedy - Member tax calculator Scheme Managers should register on the Secure Exchange Data Service ahead of the remedy exercise and delegate access accordingly.	FRA	Complete

2.2 [FPS Bulletin 72 – August 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Age discrimination remedy – warm up letters FRAs/administrators should use these to communicate with their members ahead of October 2023.	FRA/Administrator	Complete
Age Discrimination Remedy – Remediable Service Statements Administrators are recommended to use the template covering letter, where the RSS is not yet available with existing retirement option letters offering the member a choice of legacy and reformed scheme benefits. FRAs should have regard to the LGA's proposed approach and understand that any decision to retire a member into the legacy scheme without a choice, is a scheme manager decision, and should be by exception only. FRAs should ensure that they understand the implications of retiring members into the legacy scheme without a choice.	FRA/Administrator	Complete

Age discrimination – Contributions Calculator FRAs and administrators should familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data.	FRA/Administrator	Complete
The Pension Regulator (TPR) – Scheme Return FRAs to ensure that their scheme return contact details are up to date.	FRA	Complete

2.3 [FPS Bulletin 73 – September 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Firefighters' Pension Schemes (England) (Amendment) Order 2023 FRAs and administrators to familiarise themselves with the consultation response ahead of the Matthews Second Options exercise.	FRA/Administrator	Complete
Disclosure Requirements FRAs to ensure they comply with disclosure requirements by ensuring they send the appropriate letter to Sargeant and Matthews eligible members no later than 31 December 2023.	FRA	Complete (where address held)
Age Discrimination Remedy – terminology FRAs and administrators to note that whilst there is different terminology it all relates to the same exercise.	FRA/Administrator	Complete

Age Discrimination Remedy – GAD Tax and Contribution Calculator FRAs and administrators to familiarise themselves with the calculator and carry out testing against their data and feedback any issues to GAD and LGA.	FRA/Administrator	Complete
Age Discrimination Remedy – Member videos FRAs and administrators to publicise the QR code and signpost individuals to the fps member website for information relating to remedy, in particular the member videos as part of your communications.	FRA/Administrator	Complete
Concurrent Service – Interbrigade transfers FRAs to make employees aware of the pension implications, should an overlap of service occur when leaving and joining another FRA, even if only by a day.	FRA	Complete
Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 FRAs and administrators should familiarise themselves with the Directions order to ensure that they are aware of the changes.	FRA/Administrator	Complete
Public Service Pensions Remedy – Member calculator FRAs and administrators to familiarise themselves with the inputs that the member will need information for.	FRA/Administrator	Complete

2.4 [FPS Bulletin 74 – October 2023](#) contained the following actions:

Action	FRA/Administrator	Status
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Age Discrimination Remedy - Contingent Decisions guidance Scheme managers to read the guidance and mutually agree any setting of target dates with their administrator before sharing the claim process with members.	FRA/Administrator	Guidance read – awaiting information from administrator
Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation Scheme Managers are to ensure that this error is corrected retrospectively.	FRA/Administrator	In progress

2.5 [FPS Bulletin 75 – November 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Matthews – GAD calculator FRAs, 1. Should read the user guide. 2. Should ensure that they have the most up to date version of the calculator when they update the spreadsheet at the beginning of the month to allow for the latest interest rates. 3. Should share this information with anyone who is carrying out the Matthews second options exercise.	FRA	Complete
Matthews – Consequential loss claims FRAs are encouraged to respond to requests accordingly.	FRA	Complete (no outstanding requests)
Matthews – Monitoring and reporting FRAs to maintain robust record keeping ensuring that the data required by the Home Office and GAD is easily accessible.	FRA	In progress

Matthews – Deceased members FRAs to stockpile any cases which are currently not covered by the regulations until an amendment is in place.	FRA	Complete
2022/23 Event Reporting - Annual Allowance Statements & Lifetime allowance Scheme Managers need to submit data by 31 January 2024	FRA	In progress

2.6 [FPS Bulletin 76 – December 2023](#) contained the following actions:

Action	FRA/Administrator	Status
Matthews – Deceased members FRAs to use the documents provided and can amend them where required.	FRA	To do
Matthews – Supporting documents FRAs are encouraged to use the Individual Statement of Details documents to send an individual with information on their options	FRA	To do
Age discrimination remedy – Immediate Choice Remediable Service Statement (IC RSS) 1) FRAs are encouraged to discuss the timetabling of the RSS with their administrators. 2) Administrators are asked to commence testing the use of the IC RSS and provide any feedback to bluelighpensions@local.gov.uk	FRA/Administrator	To do
Firefighters' Pension Scheme Contacts All readers to complete the contact form response by 20 January 2024.	FRA	Complete

3 Financial Implications

3.1 There are no financial implications arising directly from this report.

4 Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution

5 Human Resource and Diversity Implications

5.1 There are no human resources implications arising directly from this report.

6 Equality Impact Assessment

Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? (EIA guidance and form 2020 form.docx (westyorkfire.gov.uk))	No
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7 Health, Safety and Wellbeing Implications

7.1 There are no health, safety and wellbeing implications arising directly from this report.

8 Environmental Implications

8.1 There are no environmental implications arising directly from this report.

9 Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below;

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.

10 Conclusions

10.1 This report is for information only.



Actions and agreements

8 June 2023

Location: MS Teams

PRESENT

Joanne Livingstone	SAB Chair
Philip Hayes	Scheme Member Representative (FRSA) (present for part of the meeting)
Mark Rowe	Scheme Member Representative (FBU)
Pete Smith	Scheme Member Representative (FBU)
Andrew Scattergood	Scheme Member Representative (FBU)
Glyn Morgan	Scheme Member Representative (FOA)
Des Prichard	Scheme Member Representative (FLA)
Janet Perry	Scheme Employer Representative (LGA)
Cllr Roger Price	Scheme Employer Representative (LGA)
Cllr Nikki Hennessy	Scheme Employer Representative (LGA) (present for part of the meeting)
Helen Scargill	Technical Adviser
Craig Moran	First Actuarial
Mark Poulston	Legal Adviser
Philip Woolham	Legal Adviser
Elena Johnson	LGA – Firefighter Pension Advisor
Tara Atkins	LGA- Firefighter Pension Advisor
Joanne Donnelly	LGA – Head of Pensions
Helen Fisher	Home Office
Tantara Fox-Stillwell	Home Office

Karen Gilchrist	SPPA (observer)
Jenny Gregory	Civica (present from Item 9)
Claire Hey	Heywood Pension Technologies (present from Item 9)
Jay Little	Heywood Pension Technologies (present from Item 9)
Matthew Armitage	Heywood Pension Technologies (present from Item 9)
Tim Hill	Heywood Pension Technologies (present from Item 9)

1. Introductions, apologies, and conflict of interest

- 1.1 Tony Curry, Cllr Leslie Byrom and James Allen sent their apologies. Cllr Roger Hirst was substituted by Janet Perry (JP).
- 1.2 Joanne Livingstone advised that the meeting is low on numbers and ten members are needed for quoracy rules. JL said that given some members were not going to be there for the full meeting SAB would need to treat the minimum of ten as including advisers.
- 1.3 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 (23 March 2023) and Chair's update.

- 2.1 JL asked if there were any comments on the minutes from the meeting of 23 March 2023. There were no comments on the minutes, and they were approved.
- 2.2 JL informed the SAB that she had a meeting with The Pensions Ombudsman (TPO) on 7 June 2023. He is meeting with all the chairs of the Public Service Pension Scheme SABs as he has more experience of private sector pensions and is keen to know more about the public sector. He asked what areas are likely to create future pensions ombudsman cases. JL told him that these might arise from remedy, for example in connect with the exercise of discretions. TPO advised JL that he has been involved in discussions on the compensation scheme and is keen to be involved in areas like this. JL told the Board that this is positive and provides an open door for the SAB to seek

help when processes are not working. If processes do not work, then it often gives rise to IDRP cases with ultimate recourse to The Pensions Ombudsman.

2.3 JL said that a chair for the Local Pension Board Effectiveness committee is required as soon as possible. Mark Rowe (MR) offered to discuss this with the employee representatives and asked JL to email him so that he could respond accordingly.

2.4 JL advised that the SAB response to the consultation on retrospective remedy had been submitted. JL also said that there is a new area on the [fpsboard](#) website which holds the responses from other areas, for example, the National Police Chiefs' Council response.

2.5 JL informed the Board that there is a consultation on the [Public Service Pension Scheme Rectification of Unlawful Discrimination Tax Regulations \(No 2\) \(2023\)](#). These regulations are the second set of tax regulations which are designed to set out how the tax rules work to ensure that remedy can be implemented. JL told the Board that there was a useful roundtable discussion which HMRC held to explain these regulations. Janet Perry (JP), Glyn Morgan (GM) and Helen Scargill (HS) confirmed that they had also attended a session.

2.6 JL said that it was made clear by HMRC the in-scope years were only the most recent four tax years of the remedy period, and they are unable to do anything about the earlier tax years. Questions raised on the out-of-scope-years were met with a response that this needed to be referred to HM Treasury.

2.7 JP advised that she had found the session hard to follow and had asked what the intention of the regulations were. It was noted that the intention was that people would be put back in the position that they would have been had the discrimination not occurred.

2.8 Helen Scargill (HS) felt that the processes seemed complicated and had many stages to them. In the session that she attended it became clear that

the regulations are missing a section on recovering overpaid tax where the administrator had made the payment on behalf of the fire authority. HMRC said that they were aware of this and were addressing it.

2.9 GM felt that it was very technical, and some elements only applied to the civil service and judge's schemes. The proof will be in the delivery. JL agreed and was concerned there was an onus being placed on the member to submit various pieces of information.

2.10 JL felt that responding to the consultation would be difficult for SAB due to the technical aspect of this. JP asked if there was anyone in the SAB who could assist with a response. JL suggested concentrating on responding based on the principles that we are trying to achieve, and JP agreed. JP will also send JL her own response once it has been written. The SAB will respond mainly based on principles.

2.11 JL advised the Board that the Matthews consultation is open until 9 June 2023, and this will feature later in the agenda. Home Office provided an engagement session on 25 May 2023 for the SAB which was helpful. Additionally, the SAB agreed for the GAD calculator to contain the benefit calculator element to enable fire authorities to quote member benefits.

2.12 JL told the Board that 2020 valuation materials are starting to be issued. There are two meetings in respect of this. The first meeting would be on 14 June concentrating on valuation directions and the second one is on 27 June on the valuation assumptions.

2.13 JL was pleased to tell the Board that the [Fire and Police data conference](#) of 17 May 2023 went extremely well and was attended by 140 delegates. This was followed on by a [coffee morning on 24 May 2023](#) where feedback from the workshops was given. EJ informed the Board that the FPS Regulations and Guidance website has a good write up on the [Events page](#) about the conference along with photos and all the presentation slides.

2.14 JL said she had seen some news around pension dashboards. Joanne Donnelly (JD) said that she had read the [written ministerial statement](#) which

said that the deadline date for connection to dashboards is going to be 31 October 2026 and the staging dates are to be for guidance only.

3. Home Office update

3.1 Tantara Fox-Stilwell (TF) provided the Board with an update from the Home Office.

3.2 TF said that the aim of the Home Office is to publish the consultation response and regulations for retrospective remedy before the summer recess, that is, before the end of July 2023.

3.3 TF said that the Matthews consultation closes on 9 June 2023 and the consultation response and regulations will be issued early September 2023.

3.4 JP asked if she would be able to submit a letter for Matthews after the deadline. Helen Fisher (HF) confirmed that the deadline for consideration of responses would be 9 June 2023, however if there are further thoughts to add after that point then the Home Office would take them into account in their analysis, but they wouldn't be able to formally respond to them.

3.5 JL asked if the retrospective remedy regulations would be the final regulations. HF confirmed that this is the plan.

3.6 JL pointed out that further regulations will be needed to account for the Matthews and McCloud interaction and seeing a draft of these would be helpful. JL also pointed out that because of the uncertainty around contribution processes, waiting for final regulations is time wasted if a draft could be shared earlier..

3.7 HF advised that there is a cross reference between police and fire and where there is a shift in policy, Home Office will try and engage with the sector before final regulations are laid.

3.8 JL noted that the Police response included legal advice from a top pensions KC questioning certain aspects of the draft regulations and asked the Home Office how they would respond. HF advised that this was passed to HM

Treasury because it related to contributions. She explained that it is essentially a government policy decision to protect the scheme finances in a flexible way that ensures adjustments to contributions can happen at the point of crystallisation and not just at the point of rollbacks.

3.9 HF gave an update on the remedy consultation responses. Many were received from members and the content of the consultation responses were as expected by the Home Office. The Home Office is working hard to analyse the responses received.

3.10 HF confirmed that they are re-drafting the ill health section at the moment.

3.11 HF re-iterated that the Matthews consultation closes on 9 June and that the Treasury valuation directions meeting is on 14 June.

3.12 JL asked about other matters raised by the SAB in its response to McCloud such as how discretions will be managed and anything missing from the materials published on the compensation scheme. HF said that the compensation directions are owned by HM Treasury but that the Home Office is currently working with HM Treasury on a discretions document on where funding will sit. HF said to contact HM Treasury if there are areas missing from the funding arrangements. In respect of discretions, HF said that if this area has been raised in the consultation, then it will be responded to by Home Office accordingly.

3.13 JL asked HF about how to obtain clarity for the processes for out-of-scope tax years and explained that people are concerned about how this will work. There seem to be missing processes around how FRAs will receive money due to be paid back to them. HF said that the funding structure is not currently clear, and that Home Office have also been asking HM Treasury for details on this. A document was provided in December, but nothing has been received since.

3.14 Mark Rowe (MR) asked HF if they have received the FBU response. HF confirmed that they have received it.

4. SPPA Update

4.1 Karen Gilchrist (KG) gave an update on behalf of SPPA. KG confirmed that retrospective remedy consultation was launched on 16 May 2023 and closes on 23 July 2023.

4.2 KG said that the Scottish Fire and Rescue Service had contacted her recently regarding the availability of IQMPs and asked if this was also an issue in England. KG said that there was concern around the number of reassessments which may be needed for the retrospective remedy. HF said that she knew that the IQMP market was quite exhausted at this moment in time, and she would take a look at how the ill health section of the regulations could be drafted to make it clear where reassessments were or were not needed.

4.3 In terms of Matthews, this legislation is currently being drafted and there will be an eight-week consultation period. They are looking to lay the legislation in October and for it to take effect from 1 December 2023.

5. First Actuarial Update: [SCAPE discount rate](#)

5.1 Craig Moran (CM) provided a helpful presentation which explained the impact of the SCAPE discount rate on the firefighters' pension schemes.

5.2 CM explained the impact that change in discount rate would have on the factors for commutations from the 1992 Scheme. Janet Perry (JP) asked how the scheme is made more or less generous if the cost cap were to apply, given that specific factors have to be used in the 2006 and 2016 schemes. CM explained that changing the accrual rate could be an option if the scheme needs to be made more or less generous. He also explained that changing early retirement factors is also an option as is changing the employee contribution rates. This would be a change going forward rather than amending the terms of the scheme in the past.

- 5.3 JL referred to a BBC article which highlights members of pension schemes waiting for factors to calculate the pension sharing on divorce and confirmed that the fire schemes had now received revised factors.
- 5.4 Des Prichard (DP) thanked CM for providing an excellent and understandable presentation. DP suggested that for SAB, it is necessary to highlight that, for the fire schemes, the change to the SCAPE discount rate has a disproportionate effect on the schemes and the increase to employer contribution rates has an effect on employer budgets and the running of the fire service.
- 5.5 JL agreed and pointed out that the funding arrangements are known for 2024/25, however it is unclear what will happen after that point. This creates uncertainty in the sector.
- 5.6 Councillor Price (RP) said that currently the cost is funded, however a change in government in the future might change this. RP supported DP's view that it is necessary to highlight the impact that SCAPE has on the fire scheme.
- 5.7 CM confirmed that the cost has been met, however there will be organisations that will struggle such as independent schools and organisations who employ NHS staff that may not get the funding for this.
- 5.8 DP said that his understanding was that government had agreed to increase departmental budgets which he said was not the same as each fire and rescue service receiving the money and asked for clarity. Joanne Donnelly (JD) confirmed that the commitment was for the first year only and that the Teachers' Pension scheme has a specifically named grant which is there to pay the increase in employer pension contributions.
- 5.9 HF confirmed that it is normal practice not to commit to spending outside of a normal spending review and this is the reason why funding has been committed explicitly only for 2024/25. The next spending review will consider the further funding required for the increase in employer contributions. JL asked if it would be a good idea for the SAB to write and seek clarity. HF offered to seek clarity from Home Office funding colleagues about how

funding would look and work for future years. HF added that once the valuation results are known, the situation will become much clearer.

ACTION: 08.06.2023 (5.9): HO to seek clarity regarding funding for increased employer contribution rates due to a reduction in the SCAPE discount rate.

6. SAB response to Home Office retrospective remedy consultation

6.1 EJ asked the Board to note that the [SAB response](#) to the Home Office consultation on retrospective remedy was submitted accordingly.

7. SAB draft response to the Home Office consultation on the Matthews Second Options Exercise

7.1 JL explained that a draft response to the consultation on the Matthews second options exercise had been compiled and circulated to SAB members.

7.2 EJ explained that some suggestions had been received from First Actuarial which the SAB may wish to take a view on. EJ went through the draft response to the consultation and comments added by First Actuarial.

7.3 Philip Woolham (PW) asked whether the SAB felt that the nine-month window quoted in the consultation gave enough flexibility for firefighters. EJ said that this could be included in the consultation response.

7.4 Glyn Morgan said that at meetings which he had attended, there was concern about how firefighters could be contacted given the historic nature of this exercise and felt that the Board may need to consider this issue going forward.

7.5 CM made the point, in terms of assumptions, that firefighters may provide evidence only when it would be of benefit to the firefighter; and otherwise not share any evidence of lower benefits. He suggested this might be something which the Home Office wishes to consider.

7.6 The Board discussed whether the eighteen-month window was sufficient but noted that there is existing flexibility within the draft regulations for cases

which may exceed this timeframe. It was noted that where a firefighter may need to contact HMRC for earnings figures this would take some time to obtain a response from HMRC. This situation would need consideration and firefighters may be able to ask for an extension to the timeline.

7.7 EJ indicated that First Actuarial had raised the point that, in terms of financing, fire authorities have different numbers of retained firefighters which should be a consideration when thinking about how Matthews is to be paid for. HS added that one of WYPF's FRAs has around 2000 retained staff whereas another has 50.

7.8 JL raised that the interaction between Matthews and McCloud would also need to be clear as processes would need to be developed when considering the payment of pensions and lump sums. In addition, clarity on trivial commutation payments is needed.

7.9 EJ said that she would finalise the draft and submit on behalf of the Board by the deadline of 9 June 2023.

ACTION: 08.06.2023 (7.9): Secretariat to submit final response to the consultation accordingly.

8. Action summary and review

8.1 As the meeting was overrunning, the following action was discussed.

8.2 Action 11.6.20 (6.3) was discussed and it was confirmed that the legal note on the correction of pensionable pay had been issued, however views were requested on whether the same guidance would apply if a pay element was made non-pensionable and so would result in a reduction to a pension in payment. Mark Poulston (MP) confirmed that Weightmans felt that the same principles would apply and therefore the guidance note can be used for these cases.

8.3 The remaining actions would be held over to the September meeting.

9. Software supplier update

- 9.1 JL advised that both Civica and Heywood Pension Technologies had been invited to the meeting to provide an update on the progress they have made on the development of the software needed for remedy.
- 9.2 Jenny Gregory (JG) was invited into the meeting and gave a [presentation](#) on the progress to date made by Civica.
- 9.3 JG advised that good progress was being made and although the project is running slightly behind, there is confidence of an 80/20 compliance by 1 October 2023.
- 9.4 JG explained which elements of calculations are contained within each software release and highlighted the different sorts of stakeholder collaboration which Civica are involved in to make the project run smoothly.
- 9.5 JG explained that a significant blocker is the lack of sight of the contribution calculator. The development of the fields needed on the software will take time and it was not clear what the output of the contribution calculator would look like. JG also highlighted the pressures created by the GAD factor reviews and there was also a need to consider any software changes needed as a result of Matthews.
- 9.6 JL thanked JG for the presentation and JG left the call.
- 9.7 Heywood Pension Technologies joined the call and provided a [presentation](#) on the progress they have made on the remedy project.
- 9.8 Matthew Armitage (MA) confirmed that phase one was complete and phase two was in the process of being delivered. Phases three and four are currently awaiting approval.
- 9.9 MA explained that there were certain calculations which would now need to be done manually by administrators. Recalculations were out of scope due to uncertainty over value for money of implementing a full solution. JL asked what was meant by recalculations. MA confirmed that this referred to anyone

who had a benefit which was already in payment. MA said that it was recognised that this would mean manual calculations and stressed that Heywoods are looking at possible workarounds to help administrators. He confirmed this would be in the form of documentation/guidance on how to update the system manually and partial solutions for those case loads which had the largest number of cases in that cohort.

9.10 As with Civica, the blockers include the lack of sight of the contribution's calculator. Heywood also sighted amendments to the Club memorandum as being a particular area which will need consideration. Additionally, there are competing priorities in relation to annual allowance revaluation date changes, changes due to SCAPE and factor reviews.

10.AOB and date of the next meeting

10.1 It was agreed that the remainder of the action summary paper would be taken forward to the next meeting due to time constraints.

10.2 The date of the next meeting is 14 September 2023 at 18 Smith Square, London.