

HUMBERSIDE FIRE AUTHORITY

PENSION BOARD

1 FEBRUARY 2021

PRESENT:

Employer representatives: Councillor Shepherd (Chairperson) and Mr P McCourt (Director of Service Delivery)

Scheme Member representatives: Mr B Johnson and Mr G Marshall

Councillors Briggs attended an observer.

Kevin Wilson - Executive Director of Corporate Services/Section 151 Officer and Scheme Manager, Martyn Ransom - Head of Finance, David Lofthouse - Procurement Manager, Sarah Keyes - Finance Officer, Mathew Buckley - Monitoring Officer/Secretary and Samm Campbell - Committee Manager.

The meeting was held remotely via video-conference (Zoom). The meeting commenced at 10.30a.m.

1/21 APOLOGIES FOR ABSENCE - There were no apologies for absence.

2/21 DECLARATIONS OF INTEREST - There were no declarations of interest.

3/21 MINUTES - Resolved - That the minutes of the meeting of the Board held on 6 July 2020 be confirmed as a correct record.

4/21 MATTERS ARISING FROM THE MINUTES - There were no matters arising from the minutes.

5/21 REPORTING BREACHES - The Procurement Manager informed the Board that there had been no breaches since the meeting held on 6 July 2020.

Resolved - That the update be received.

6/21 PENSION BOARD WORKSTREAMS UPDATE - The Executive Director of Corporate Services/Section 151 Officer submitted a report setting out an update on the Board's workstreams for 2020/21.

The number of complaints received by the Service each year in relation to pensions tended to be low (often zero), with three received in 2020/21. The Risk Register had been enclosed with the agenda (Appendix 3). The security of scheme members' data remained a key risk, as well as the over-reliance on officers to deliver the scheme and changes to legislation (Minutes 8/21 and 9/21 refer). However, the support of West Yorkshire Pension Fund addressed the risks concerning data and reliance on officers. Funding would be received to increase the Service's capacity when the remedy relating to the Sargeant/McCloud case was ready to be administered. Delivery of the scheme and the associated KPIs had not been significantly affected by the Covid-19 pandemic.

A Member queried the Service's abatement policy (Appendix 4) and the guidance published in relation to the Sargeant/McCloud case. The Service could only adopt the guidance in its policies when the Government had legislated the changes. In addition, the focus of the policy on abatement was not on encouraging scheme members to return to work following retirement, only on how the Service would administer a return to work if a scheme member did want to return.

In relation to the KPIs (Appendix 3), a Member asked about the average time taken by West Yorkshire Pension Fund (WYPF) to undertake administrative actions and whether this could be reported in greater detail. The Service reviewed the KPIs with WYPF regularly and the measures could be changed to focus on particular issues.

Resolved - (a) That the report be received and the overall good administration performance by West Yorkshire Pension Fund be noted, and

(b) that the KPIs in relation to West Yorkshire Pension Fund's administration of the scheme be reviewed at the next contract review meeting to ascertain whether there was scope to drive further performance improvements in the administration of the scheme.

7/21 THE PENSIONS REGULATOR UPDATE - The Finance Officer provided the Board with an update in relation to the COVID-19 pandemic.

The Pensions Regulator measured performance nationally in relation to six key processes:

- Documented procedures for assessing and managing risks
- Process for resolving contribution payment issues
- Documented policy to manage board members conflicts of interest
- Process to monitor records for accuracy / completeness
- Access to knowledge, understanding and skills needed to properly run the scheme
- Procedures to identify, assess and report breaches of the law

The Regulator was due to undertake its annual survey in relation to the six key risks and associated quick-guides, summarising the key issues, would be circulated to Members prior to their engagement in the consultation process.

Resolved - (a) That the update be received, and

(b) that the draft response to The Pension Regulator's annual survey be circulated to Members for response prior to the deadline for submission, 12 February 2021.

8/21 SARGEANT/MCCLOUD UPDATE - The Finance Officer submitted a report updating the Board on the Sargeant/McCloud case.

The consultation relating to the remedy for the Sargeant/McCloud case had been published shortly after the Pension Board's meeting of 6 July 2021. The remedy would present a significant administrative burden for fire and rescue services nationally. Affected scheme members would each be able to choose between final salary and career average benefits for the remedy period depending on how their benefits would be affected on an individual basis. This choice could either be made immediately after the remedy was written into legislation, or upon retirement in order that scheme members could review their options. The Home Office was due to engage with all fire and rescue services to help them structure their responses to the remedy.

Guidance had been published in relation to scheme members who would be at an immediate detriment as a result of the remedy, including those who were currently eligible to retire or who would qualify for ill-health retirement under one scheme but not the other. The guidance suggested that such cases could be administered immediately and reviewed later. In all cases, however, before the remedy was written into legislation, the Service would continue to administer the scheme according to current legislation.

A Member asked how scheme members would be informed when the Service began to administer the remedy. The Service had already developed a communication plan to inform scheme members of the processes. However, until the ongoing consultation had concluded and the remedy had been written into legislation, there would be little to report.

Resolved - That the report be received.

9/21 MATTHEWS/O'BRIEN UPDATE - The Finance Officer submitted a report updating the Board on the Matthews/O'brien case.

The Matthews/O'Brien RDS Modified case (Minutes 8/20 and 23/20 refer) was due to conclude at around the same time as the Sargeant/McCloud case, leading to a further significant administrative burden. It was likely that on-call firefighters' FFPS membership would be backdated to cover their full length of service rather than cut off at 1 July 2000. This would entail a significant amount of work for FFPS administrators nationally and they would need to administer changes within 18 months after the passage of the relevant legislation. Following the application of the remedies, the Service would need to re-valuate its Pension Fund.

A Member asked how scheme members would be informed when the Service began to administer the remedy. Communication in relation to the Matthews/O'Brien case would be challenging, as many ex-scheme-members would need to be contacted. However, there was a strategy in place and affected members and ex-members would be contacted when there as an update to be given.

Resolved - That the report be received.

10/21 COVID-19 UPDATE - The Finance Officer provided an update in relation to the effects of the Covid-19 pandemic.

Her Majesty's Treasury had temporarily relaxed the rules around re-employment following retirement so that retired firefighters under the age of 55 in receipt of a pension from the FPS 1992 could be re-employed without a month's gap in employment to keep their protected pension age if the re-employment was specifically related to the Covid-19 pandemic. This easement had ended in November 2020, and no retired members of the FPS 1992 had returned to work as a result of Covid-19.

Covid-19 would be considered as a qualifying injury in relation to the compensation scheme in the same way as other injuries. The Home Office had been asked to provide assurances that Covid-19 would be a qualifying injury under the Compensation Scheme. It had subsequently issued guidance nationally, confirming that it could not provide an assurance and that it would fall to each fire and rescue service to determine a qualifying injury, with each case subject to an IQMP report. The Home Office had listed a number of issues that would need to be considered to determine the circumstances in which Covid-19 was contracted, and whether it could be considered to have been contracted in the course of a Firefighter's duties. While it could be challenging to determine conclusively whether an employee contracted Covid-19 while on duty, the processes already in place were sufficient.

Resolved - That the update be received.

11/21 LGA TRAINING - The Executive Director of Corporate Services/Section 151 Officer updated members in relation to upcoming Local Government Association training.

Resolved - (a) That the update be received, and

(b) that the Local Government Association training session be held prior to the Pension Board's meeting due to be held on 12 July 2021.

12/21 ANY OTHER BUSINESS – There were no items.