



**MINUTES OF THE MEETING OF THE LOCAL PENSION BOARD - FIREFIGHTERS PENSION SCHEME held on Tuesday, 15 August 2023 at Fire Conference Room - Fire Service HQ, Clemonds Hey, Winsford, Cheshire, CW7 2UA at 2.00 pm**

**PRESENT:** Councillor David Brown (Chair), Lee Shears (Employer) and George Peers (Employee – FBU)

**OFFICERS:** Carmine Rabhani (Pension Scheme Manager), Graeme Hall (Head of Public Sector Relations – XPS Administration), Amy Caves (Solicitor) and Donna Linton (Governance and Corporate Planning Manager)

**1 APOLOGIES**

Apologies for absence were received from Neil McElroy (FOA).

**2 DECLARATION OF INTERESTS**

There were no declarations of interest received.

**3 NOTES FROM THE PREVIOUS MEETING**

**RESOLVED:** That

[1] the minutes of the meeting of the Local Pension Board – Firefighter Pension Scheme held on 29<sup>th</sup> March 2023 be confirmed as a correct record.

**4 XPS ADMINISTRATION CHESHIRE FIRE PENSION BOARD REPORT QUARTER 4 2022-23 QUARTER 1 2023-24**

Graeme Hall, Head of Public Sector Relations from XPA Administration, was in attendance and presented the Cheshire Fire Pension Board Report Quarter 4 2022-23 and Quarter 1 2023-24 which contained the following information:-

- Overview
- Member Self Service
- Common Data
- Membership
- Completed Cases Overview
- Completed Cases by Month
- Complaints
- Telephony

Graeme Hall provided an update on the Completed Cases Overview. He advised that in 2022-23 the total percentage of cases within target was 90%. This would

improve in 2023-24 due to a period of recruitment and training which XPS Administration had undertaken. This would continue to be monitored.

Graeme Hall provided an update on Telephony which related to the fire specific telephone line that had been introduced. When making the call five options were given to the customer which included Option 1 Bereavement (5%), Option 2 Personal Details (5%), Option 3 Request an Estimate or Update on a Retirement Quote (3%), Option 4 Changes to Remedy (0%) and Option 5 all other queries (87%). Graeme Hall advised that moving forward Option 5 would be looked at to see what most of these calls related to and if a further option could be included to assist the users further.

The Pensions and Payroll Manager reported that she had seen an improvement since the new telephone system had been introduced.

**RESOLVED: That**

**[1] the XPS Administration Cheshire Fire Pension Board Report Quarter 4 2022-23 Quarter 1 2023-24 be noted.**

**5 FIREFIGHTER PENSION SCHEME UPDATE**

The Pay and Pensions Manager presented a report that provided an overview of the current issues relating to Firefighters' Pension Schemes, including updates on the following:-

- Membership Statistics
- FPS Bulletin Actions Arising
- McCloud – Retrospective Remedy Consultation Response
- McCloud – Project Update
- Matthews Remedy
- SCAPE Discount Rate Changes
- Pensions Dashboard Programme
- Revaluation Rate Correction
- Pension Tax Updates
- General Updates

The Board was advised that the Local Government Association (LGA) communications team had provided a template poster for services to use to publicise the Matthews remedy options exercise for on-call firefighters. Work was underway in the communications team to personalise the poster for CFRS that would then be sent to all fire stations to be placed on the notice boards.

It was reported that although the options exercise process would be like 2014, the 2023 options exercise was likely to be made more difficult due to the timeframes involved. Some members had service going back as far as 1964. Therefore, services were unlikely to hold pay, tax or rank information for this period, therefore several assumptions would have to be used to complete the calculations. An added complication was that some members would be in scope for both the Matthews and

McCloud remedies. The proposal was that the Matthews remedy would need to be actioned before McCloud, and these cases should be prioritised for the purposes of the Matthews options exercise. A Board Member asked how many members were likely to be in scope for both the Matthews and McCloud remedies. In response, the Pay and Pensions Managers advised that this was approx. 40 members.

The Board was advised that the Government had announced that from 6<sup>th</sup> April 2023 the lifetime allowance charge would be removed. The lifetime allowance would be fully abolished from the 2024 to 2025 tax year, through a future Finance Bill. The lifetime allowance framework therefore remained in place from 6<sup>th</sup> April 2023, and it was just the lifetime allowance charge that had been removed at this stage. The Board had a discussion on what the change would mean for members going forward.

Graeme Hall advised that XPS Administration would be updating their options pack to ensure that the changes to the current payment process for lump sums was clear for members and they would provide estimated lump sum figures based on the assumption that the member would pay 45% income tax on the excess lump sum.

The Board discussed the status of the Injury to Feeling Claims. The Solicitor advised that she was working through files manually to get approx. numbers so costs could be estimated.

**RESOLVED: That**

**[1] the Firefighter Pension Scheme Update be noted.**

## **6 MCCLOUD/SARGEANT JUDGEMENT UPDATE**

Amy Caves, Solicitor provided an update on the McCloud/Sargeant Remedy and Immediate Detriment. The Board were advised that all services must complete several key tasks in readiness for the retrospective remedy in October 2023. XPS Pensions had also provided information about the project plan to implement Heywoods software solution for remedy calculations, and a proposed order of prioritisation for retirement cases post October 2023.

Board Members was advised that whilst it was appreciated that immediate choice members would hope to receive any options and backpay as soon as possible after October 2023, the remedying regulations allow administrators up to 18 months to complete this work. Whilst XPS had a dedicated project team for the McCloud remedy, immediate choice cases would have to be calculated manually which therefore meant cases would take some time to work through.

Priority would be given to those cases involving deaths, ill health retirement or where members have tapered or no protection.

**RESOLVED: That**

**[1] the update and comments raised be noted.**

## **7 FIREFIGHTER PENSION SCHEME RISK REGISTER**

The Pensions Manager presented the Firefighter Scheme Risk Register that had been reviewed and updated in August 2023. Updates since the last meeting were highlighted in blue in the document.

The Pensions Manager provided an update on each of the updated risks.

**RESOLVED: That**

**[1] the Firefighter Pension Scheme Risk Register be noted.**

## **8 JCNP PENSIONS UPDATE**

The Pension Scheme Manager advised that at the meeting of the JCNP (FBU) on 22nd June 2023 there were no issues raised relating to pensions.

**RESOLVED: That**

**[1] the update be noted.**

## **9 PENSION BOARD TRAINING UPDATE**

The Pensions Manager advised that the LGA Firefighters' Pensions Annual Conference was taking place on 19<sup>th</sup> and 20<sup>th</sup> September 2023 that would be attended by Officers.

The Governance and Corporate Planning Manager advised that the LGA annual training session to the Board had been arranged to take place in September, however, some Board Members were not available to attend. Therefore, the training has now been arranged to take place prior to the next meeting of the Local Pensions Board on 17<sup>th</sup> November at 10.00am there would be an option to attend the training and meeting after via Teams.

**RESOLVED: That**

**[1] the update be noted; and**

**[2] the LGA Pension Board Training Session take place on 17<sup>th</sup> November 2023 and that all Board Members attend.**