



Actions and agreements

12 September 2024

Location: MS Teams

PRESENT

Chair

Joanne Livingstone SAB Chair

Scheme Member Representatives

Philip Hayes	Fire and Rescue Services Association (FRSA)
Mark Rowe	Fire Brigades Union (FBU)
Tony Curry	Fire Brigades Union (FBU)
Andrew Fox-Hewitt	Fire Brigades Union (FBU)
Adam Taylor	Fire Brigades Union (FBU)
Glyn Morgan	Fire Officers Association (FOA)
Des Prichard	Fire Leaders Association (FLA)

Scheme Employer Representatives

Cllr Chard	Local Government Association
Cllr Price	Local Government Association

Advisors to the Board

Helen Scargill	Technical Advisor
Craig Moran	First Actuarial – Actuarial Advisor
James Allen	First Actuarial – Actuarial Advisor
Jane Marshall	DAC Beachcroft - Legal Advisor

Secretariat

Claire Johnson	Senior Firefighter Pension Advisor
Sandra Sedgwick	Firefighter Pension Advisor
Tara Atkins	Firefighter Pension Advisor (minutes)

Jo Donnelly Head of Pensions
Jamie Osowski Fire Workforce Advisor

Home Office

Antony Mooney
Simon Primmer
Helen Fisher
Usamah Musa

Government Actuaries Department

Brian Allan
Greg Donaldson

Guests

Administrator (for individual sessions at item 7)

Yunus Garja West Yorkshire Pension Fund (WYPF)
Kevin Sheil XPS
Jo Darbyshire Local Pension Partnership Administrators (LPPA)

Software Suppliers (for individual sessions at item 8)

Matthew Armitage Heywood Pensions Technologies
Tim Hill Heywood Pensions Technologies
Tom Jones Heywood Pensions Technologies
Richard James Civica
Lissa Evans Civica

Devolved Governments

Karen Gilchrist SPPA

National Fire Chiefs Council

Dawn Docx NFCC Pensions Lead

1. Welcome, Apologies and Conflict of Interest

1.1 Joanne Livingstone (JL) welcomed everyone to the meeting and confirmed that Cllr Phillips, Roger Hirst and Cllr Hennessy had sent apologies.

1.2 The meeting was not quorate on the employer representative side, but any decisions needed to be made would be ratified post meeting.

1.3 Minutes of the previous meeting on 18 June 2024 were agreed.

1.4 ACTION – Secretariat to publish finalised minutes on the website.

1.5 Adam Taylor is on the Local Pension Board (LPB) for Leicestershire Fire Authority. The SAB noted that it was useful for the Board to have representatives from the LPBs. All SAB members should be aware of the confidentiality of some of the items they're dealing with on SAB and be conscious of that when attending different meetings and boards.

2. Actions arising (18 June 2024) and Chair's update.

2.1 The Chair went through the action log of 18 June 2024, to update on these. Key points of the actions which were not separately noted on this agenda were:

2.2 The Chair welcomed as positive the engagement from the new fire minister in relation to the communication the SAB sent in July.

2.3 Des Prichard raised concerns over being quorate and requested information to confirm what numbers were needed to be quorate. Home Office confirmed that the Terms of Reference require that 'The board shall require at least 10 members to be present, with a minimum of 3 employer and employee representatives plus the Chair for a meeting to be quorate'.

2.4 Des Prichard raised further concerns over governance generally. The Chair confirmed that this is something that she wishes to address in the coming year.

2.5 The Chair confirmed that her appointment has been extended for a further year and Home Office will be looking at the appointment in the next year.

Claire Johnson confirmed that she was imminently going on maternity leave and discussed the cover that has been put in place. This included increased responsibility for Tara Atkins and Sandra Sedgwick and additional input from

Jo Donnelly and from Clair Alcock, the first Senior Firefighter Pension Advisor and now working for as Head of Police Pensions for the National Police Chiefs' Council and as independent Chair of the London Local Fire Pension Board.

2.6 The Chair encouraged members of the board to attend the AGM on 18 and 19 September 2024.

3. Home Office update

I. Employee contribution rates review

3.1 Helen Fisher provided an update on the member contribution consultation, which was halted due to the general election. Whilst it was originally considered that the new structure would come into force from April 2025, in the initial consultations with the sector, it was highlighted that FRAs and administrators would need a longer lead in time to apply the changes, therefore the intention is that the implementation date will be from October 2025 to allow at least 12 weeks lead in time.

3.2 Greg Donaldson from GAD gave assurance with regards to any concerns over potential backdating of the missing 6 months higher contributions, and that this would be absorbed within the valuation in the roundings.

3.3 Helen Fisher also confirmed that HM Treasury are comfortable with this approach, as they have been part of the journey. It was also confirmed that HMT's main concern is meeting the yield, and not necessarily how this was achieved.

3.4 The board discussed the importance of communications to members.

3.5 ACTION – Secretariat took an action to update the members website, in collaboration with Home Office, to reflect the imminent consultation.

3.6 The board discussed the approach being taken by the Devolved Nations, and Karen Gilchrist confirmed that Scotland are still looking to implement their changes from 1 April 2025, and that a paper was being taken to their board meeting on 25 October.

3.7 ACTION – Karen Gilchrist to share their board paper with the English board.

II. Matthews policy updates

3.8 Anthony Mooney provided an update on the proposed Matthews policy update consultation and confirmed that there would be a 10 weeks consultation period to allow for the changes to be implemented from April 2025. Anthony also confirmed that he would be happy to run engagement sessions throughout the consultation with the board. The Statutory Instrument (SI) is due to come in February 2025.

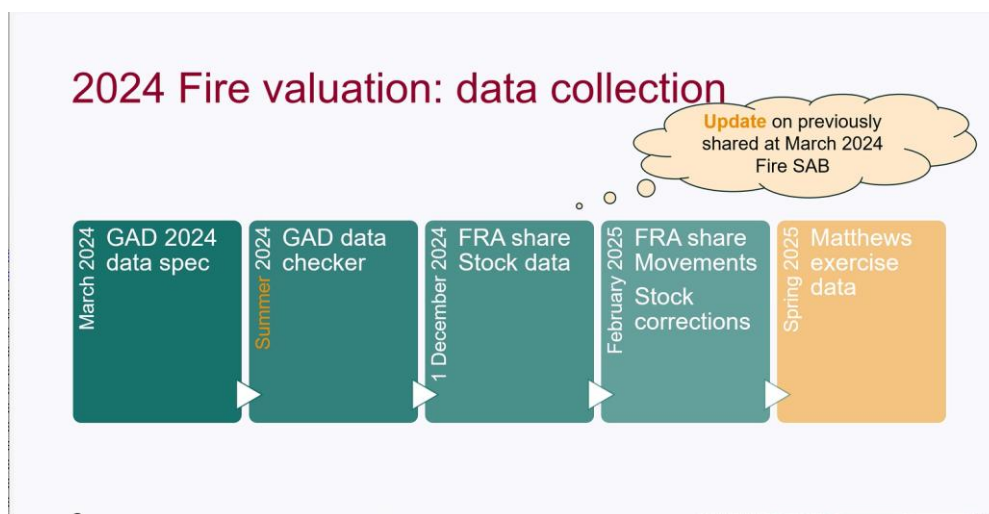
3.9 The Chair asked what the considerations have been for a compensation scheme for Matthews. Anthony confirmed that there isn't the same ability to provide compensation for the Matthews exercise in the same way as the primary regulations allow for, for the Sargeant exercise. This will be looked at with FRAs in early 2025.

III. General update

3.10 Anthony also provided an update on the Sargeant compensation payments and confirmed that the first payment will be made to FRAs within the coming weeks for claims within 2023/2024 and 2024/2025 quarter 1.

IV. 2024 valuation

3.11 Home Office invited Brian Allan to provide an update on the valuation.



3.12 Brian highlighted the importance of the 1 December 2024 deadline for data and confirmed that they have been working with both software suppliers to update their reporting facilities to provide for the reporting this year. Brian also reflected on the data being in a good place at the last valuation and they are hoping that this will be the same for the 2024 valuation.

4. LGA general update

4.1 CJ provided a summary of the paper and highlighted the key areas that the board should consider. This included the cover for Claire's maternity leave, HMT Directions and FRA induction training.

4.2 The board discussed the impact of tax on contributions being paid via the self-assessment route, for active member, which brings the mechanism in line with deferred and pensioner members.

4.3 ACTION – Secretariat to update the RSS template to include both gross and net contribution adjustment.

4.4 The board discussed rumours that the deadline date for providing ABS-RSS, had been extended to October 2025. Claire confirmed that as this is covered by primary legislation this is a hard deadline, and whilst the administrators concerns had been fed back to HMT, through the Cross Whitehall discussions, there was no appetite for them to amend the deadline.

5. Board Expenditure for 2023-24 and recommendations for 2024-25

5.1 Claire Johnson introduced the board expenditure paper, and highlighted what the levy amount was last year, and that the paper sets out the income and expenditure. There was a carry forward position which is positive, but this was caused by the team having a vacant position for almost a year.

5.2 As not all board members were in attendance at the meeting, it was acknowledged that the paper would need to be circulated outside of the meeting for sign off.

5.3 ACTION – secretariat to circulate the paper after the meeting for sign off.

6. Induction material

6.1 Claire Johnson introduced the induction material, which was an action following the last meeting.

6.2 It had been identified that there was a trend that members join the scheme, and then choose to opt out when they move into a competent role. The induction material helps to highlight to members the key benefits of the scheme.

6.3 The board discussed the material, and it was agreed that the materials would not be published until after the Budget in case it changed the position.

6.4 A recommendation was made to also include the employer contribution rate within the information.

6.5 ACTION – Secretariat to make the amendment to include the employer contribution rate and to review the induction material, if relevant, following the Budget, and then bring back to the board if needed, or publish accordingly.

7. Administrator updates: Position statements (verbal)

- **Matt Mott – Head of Governance and Business Development, West Yorkshire Pension Fund**

7.1 Matt provided his update to the board. The key areas of update included the Sargeant remedy, Matthews exercise, Team restructure and Pensions Dashboards.

7.2 Matt specifically noted that there have been 26 updates within the Civica software system (UPM). They are still awaiting 14 drops which, amongst other things, will allow them to be able to rollback the records involved in the Sargeant remedy. These drops are due in October/November.

7.3 Matt also highlighted that they have identified an issue within UPM for Matthews where if the pay information goes back more than 15 years it will stop the calculation.

7.4 Claire highlighted that this was the first time that they had been made aware of this issue, but that they would investigate this further.

7.5 ACTION – Secretariat to liaise with Civica to establish what the issue is, and if there is a relevant workaround.

7.6 Matt also confirmed that they have taken the decision to restructure the Fire Team within West Yorkshire Pension Fund, so that Fire sits outside of the LGPS Team, to allow them to manage this separately and utilising the resource between the teams.

7.7 The Chair asked Matt to provide a position on the production of ABS-RSS and Matt confirmed that, providing the data has been provided by the FRA, then there should be no reason why they will not meet the 31 March 2025 deadline.

7.8 Helen Scargill reflected that BAU has not been impacted by the work on Sargeant. She also confirmed that they have been working on the divorce calculations and are just waiting for the GAD guidance to be published.

- **Jo Darbyshire – Managing Director, LPPA**

7.9 Jo Darbyshire was joined by James Franklin, the McCloud Project Manager, to provide an update to the board. Their update confirmed that rollback was completed in January 2024, and all retirements are being paid as and when they occur except for if there is a data issue outstanding with the FRA.

7.10 They have implemented a 6 month limit restriction on retirement estimates, but this is reviewed regularly.

7.11 They have published 73% of active ABS and 80% of deferred ABS which include the ABS-RSS for remedy eligible members.

7.12 Jo identified 2 main areas where there are gaps, 3 of 7 FRAs have data gaps, 1 of which have had no ABSs produced. The remaining gaps are due to outstanding guidance. Any member who did not receive an ABS has been written to, to explain why.

7.13 Jo Darbyshire reflected on the positive experience where the FRAs have engaged. They are expecting the software update for the valuation to be delivered in October.

7.14 The Chair asked whether there were any patterns that had been identified in the missing data, and how they are looking to resolve them. Jo responded to say that there had not been any specific patterns in the data issues. The biggest issue has been where FRAs have changed payroll provider, or where they have an old payroll system which is not reportable or is still in paper format.

- **Kevin Shiel – Head of Public Sector Business Development, XPS**

7.15 Kevin talked the board through their [slide](#) update.

7.16 The Chair asked whether XPS had provided TPR with an update to the progress of the development of the ABS-RSS. Kevin suggested that they consider it the FRA's responsibility to provide this to TPR.

8. Software supplier updates:

- **Civica (verbal) - Richard James and Lissa Evans**

8.1 Richard James talked the board through their [slides](#).

8.2 The Chair raised some concerns that have been flagged throughout the meeting so far, particularly with regards to all members being on the correct version of Civica software, and what happens if they are not. Richard reflected that they are aware of the pressure in the industry and that there is a challenge where guidance had not come in a timely fashion. He also reflected that they are aware that some of their customers are not on the updated framework and that they are working with them to bring them up to date.

8.3 The Chair raised the issue that WYPF had raised with regards to Matthews arrears over 15 years. Lissa Evans responded to say that this has been identified to affect all clients and that they need to investigate and will be dealing with this as a priority.

8.4 ACTION – Civica to take away and investigate.

- **Heywood Pensions Technologies** – Claire Hey, Tim Hill and Tom Jones

8.5 Claire Hey talked the board through their [slides](#).

8.6 Claire Johnson asked Heywood whether they were aware of the Matthews 15 year issue within their software.

8.7 ACTION – Heywood to take away and investigate.

9. AOB and date of the next meeting

9.1 The Chair agreed the next meeting cycle dates.

- Wednesday 19 March (In-person – Smith Square)
- Wednesday 18 June (Virtual – MS Teams)
- Thursday 11 September (In-person – Smith Square)
- Thursday 11 December (Virtual – MS Teams)

9.2 ACTION – Secretariat to send out the invites for the next meeting cycle.

9.3 The next meeting is due on 12 December 2024 and will take place in person at the LGA offices at Smith Square.

9.4 Des Prichard raised the concerns over the governance of the board, particularly with regards to the board not being quorate.

9.5 ACTION – Des took an action to review the terms of reference and report back at the meeting in December 2024.

9.6 The meeting closed at 15:25