

**Minutes of the meeting of the Local Pension Board
held on 26 October 2020 via Webex**

PRESENT

Employer Representatives:

Cllr Bryan Apsley **(Chair)**

Cllr J B Hughes

Ken Finch, Treasurer

Employee Representatives:

Richard Fairhead, Fire Leaders Association - Prospect, Employee Representative

Jane Honey, Fire Officers' Association

Tim Lloyd, Fire Brigades Union

Advisors

Helen MacArthur, Assistant Chief Officer

Julie Brown, Pensions Manager

Minute Taker

Alwen Davies, Members' Liaison Officer

1 APOLOGIES

Cllr Simon Glyn

Gareth Owens, Deputy Clerk

Kevin Gerrard Dyfed Pension Fund Pensions Manager

Martin Morgan Dyfed Pension Fund Deputy Pensions Manager.

Bob Mason, Fire Officers' Association.

Duncan Stewart-Ball, FBU

2 DECLARATIONS OF INTEREST

2.1 None.

3 MINUTES OF THE LAST MEETING

3.1 The minutes of the meeting held on 10 August 2020 were approved as a correct record.

4 FIREFIGHTERS PENSION SCHEMES – UPDATE REPORT

4.1 The Pensions Manager presented the report which informed members about the scheme membership, together with updates on:

- Member communications
- Booth Judgment
- Overview of FPS bulletins and circulars.

4.2 Those representing various representative bodies were asked to encourage all their members to access 'My Pensions Online' in order to monitor their pension.

4.3 **RESOLVED to note the report.**

5 DYFED PENSION FUND (DPF) UPDATE (SCHEME ADMINISTRATOR)

5.1 Due to video conferencing issues, K Gerard and M Morgan, were unable to attend the meeting therefore the Pensions Manager gave an update.

5.2 The Committee extended its appreciation to the Dyfed Pension Fund administrators for being able to continue to undertake all work without too much disruption since the Covid-19 outbreak and the report was reassuring.

5.3 The report contained updates on the following areas of work:

- Regulatory Update
- E-communication
- GMP reconciliation
- Annual Benefit Statements
- Appeals
- Breaches
- My Pensions Online
- Workflow

5.4 Again, the importance of members accessing their annual benefit statements online was emphasised and the representative bodies were asked to encourage all members to regularly access My Pensions Online. It was noted that some members were still to register on the system.

5.5 **RESOLVED to note the information provided.**

6 LOCAL GOVERNMENT ASSOCIATION –SIX KEY AREAS OF GOVERNANCE

6.1 Clair Alcock, Local Government Association, Firefighter Pensions Adviser was welcomed to the meeting and delivered the training session on the six key areas of governance.

6.2 Ms Alcock delivered a presentation which gave an overview of various issues currently ongoing with firefighters' pensions including the following:

- Age Discrimination / Immediate Detriment
- Matthews (Special Members Second Options Exercise)
- Pensionable Pay
- Ill-Health
- Remedy

6.3 The presentation also provided information on the six areas of governance, and how to manage them, as follows:

- understand the risks
- to be informed and knowledgeable
- understand the data
- collect the right money at the right time
- what to do when something goes wrong
- act without conflict.

6.4 The Chair thanked Ms Alcock for the comprehensive presentation and asked that it be circulated to all members.

6.5 RESOLVED to note the information.

7 SCHEME ADVISORY BOARD

7.1 ACO MacArthur gave members an update following the Scheme Advisory Board (SAB) meetings held on 24 July 2020 and 30 September 2020.

7.2 A range of matters were covered which included the 2016 and 2020 GAD valuations, the HM Treasury consultation on remedy proposals arising from the legal challenge to the 2015 transitional arrangements and the administrative complexities of the firefighters pension schemes.

7.3 In terms of the 2016 and 2020 GAD Valuation, the requirement for the 2016 valuation to be revisited in the light of the remedy proposals arising from the transitional legal challenge had been noted. This will include revisiting the cost cap rectification process which was suspended by HM Treasury following the Court of Appeal outcome in December 2018. Members will be kept informed of any developments.

7.4 RESOLVED to note the report.

8 RISK REGISTER – FINANCIAL RISK REVIEW

- 8.1 Members were reminded that the Pensions Regulator recommends that Local Pension Board members consider and review their Risk Register during each Board meeting.
- 8.2 ACO MacArthur highlighted that a key financial risk for the Authority in 2021/22 was that the employer pension contributions for firefighters increased during 2019/20 following the 2016 revaluation by the Government Actuary's Department. The Welsh Government provided initial support and a decision on the longer term position has not yet been finalised. The provision of support for 2021/22 onwards has not yet been concluded and this represents a risk of £1.1m. At this time, the budget assumption is that the same level of funding will be received.
- 8.3 **RESOLVED to note the Financial Risk Area of the Register for 2020-21 and that any changes or updates will be incorporated into the register and the revised document published on the Authority's website.**

9 MATTERS TO BE REFERRED TO THE FRA

- 9.1 The next meeting of the FRA will be on 9 November. It was noted that reports on the following matters will be referred to that meeting.
- LPB annual report and ToR (to include the positive feedback about Dyfed Pension Fund and the six governance key areas)
 - Approval of discretionary policy for FF Pension Scheme
 - Update on transitional legal challenge pensions
 - Pensionable pay elements of FF pension scheme.

10 ANY OTHER BUSINESS

- 10.1 None.