

FIRE FIGHTERS PENSION BOARD - MINUTES
6 July 2020, 10am, Dial in Meeting

Present: Glynn Luznyj, Employer Representative (**Chairman**)
Glynn Dixon, Employer Representative
David Greensmith, Director of Finance, SFARS
Richard Mortimer, Fire Pension Scheme Member (Employee Representative)
Helen Scargill, West Yorkshire Pension Fund (WYPF)
Irina Volkova-Heath, Pension Co-ordinator
Rich Williams, FBU, SFARS

Apologies: Robert Moss, Fire Pension Scheme Member (Employee Representative)

Also present: Beckie Shepherd, Business Support

Documents referred to in these notes are not appended but will be attached to the signed copy of the minutes. Copies, or specific information in them, may be available on request.

1. Attendance, Apologies and Conflicts of Interest

GL welcomed the group to the call and initiated a round of introductions. There were no declarations of conflict of interest noted.

2. Minutes and Actions Arising

- 2.1. In terms of accuracy, the previous minutes from 8 April 2020 were approved.
- 2.2 The following points from the Action Log were discussed:
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| Action 13 | Update given at meeting – action closed. |
| Action 25 | PFCC Election postponed, review at next meeting, ongoing. |
| Action 27 | Update given at meeting – action closed. |
| Action 28 | DG will circulate after meeting for review at next meeting, comments to be sent via email. Ongoing. |
| Action 30 | Reviewed at meeting. Ongoing. |
| Action 31 | Completed. Closed. |
| Action 32 | To be completed by GL after remedy has been concluded. Ongoing. |
| Action 33 | Closed. |
| Action 34 | Work ongoing on monthly basis with Stoke. DG/GL passed on thanks. Statement will be based on scheme as current. |
| Action 35 | Completed at last SGB on 9 June. Closed. |
| Action 36 | Closed at meeting – no further update given. |
| Action 37 | On agenda today, this specific action can be closed. |
| Action 38 | Informed of a change in name of case to Matthews. H/O have accepted judgement, work ongoing to what is needed. Refers back to start date of FF - 18 month timeframe for completion for SFARS, however commencement date not certain. |

3. Pensionable Pay

- 3.1 DG gave an update following the last meeting. During the SGB on 26 March, the Board agreed the historic training allowance should have been pensionable for affected members. DG informed the Board

that letters were sent to affected members on 18 May, to inform them that calculations are ongoing and wrote again on 2 July to inform them of the delay caused by complicated factors around the calculations.

3.2 IV is approx. 50% way through the cases and prioritising members already retired. IV added that the highest amount to pay back is approx. £9,200 and proposed a suitable timescale of repayment of 3-5 years. IK asked whether the repayments can be chased – HS confirmed that SFARS are able to chase the payment / debt and DG added that this payment isn't discretionary – some affected members won't want to re-pay the benefit as it is no benefit to them.

3.3 DG and IV will work (alongside Weightman's and WYPF) on the detail of the next communication to affected staff will ensuring the deductions are clear of the next steps, including a mandate authorise to take contributions from their pay. RW commented that communication is important to the members, and supported the possibility of a 5 year repayment timescale.

4. Split Pensions

4.1 GL said that following the last Pension Board, it was noted that 26 members need to be remedied through in relation to this issue – via the last SGB, the Scheme Manager agreed to pay the lump sum as an unauthorised payment, with higher rate of tax of 40%. As this work was moving towards its implementation, as noted in the last meeting, WYPF informed SFARS that HMRC had given conflicting advice that the ongoing pension arrears are also subject to pensionable tax. The process was then paused and more legal advice sought.

4.2 Last week, clarification was finally received from HMRC stating that lump sum payments are unauthorised and will be subject to the higher rate of tax and there will be an additional scheme sanction charge. However the pension arrears are not classed as unauthorised. Therefore the approval on the decision made at SGB with the scheme manager approving a local remedy, can now go ahead.

4.3 HS is waiting for official confirmation, subject to this the payments will be remedied ASAP. Communication is ongoing and once the decision is finalised, this will be communicated. IV asked regarding 4 subsequent members who were affected by the recent decision on pensionable pay and whether they would be able to split their pensions - would the same remedy be applied. GL noted that with a caveat of looking at detail outside of meeting, the board would recommend that they are should treat with the same level of consistency.

4.4 HS added that amendments post-retirement should be considered – in summary, the difference for consideration is whether the payments are recalculated due to either mal-administration or changed as a result of case law. DG to communicate officially to HS on behalf of the SFARS regarding lump sum charge payments today to enable this to start being resolved. RW asked how we identify members who are eligible for this payment. IV confirmed that temporary promotions from 2007 – 2015 are reviewed and data submitted to WYPF for checking.

The Board were happy with the way this will be reviewed.

5. Injury Pension Review

5.1 DG updated the Board to make them aware that WYPF have been reviewing injury pension payments which resulted in a full review of those in receipt of disability benefits. This has identified for corrections to be made historically of retired members. Errors ongoing for a number of years, underpayments and overpayments. At the next SGB the Scheme Manager will decide whether we will recover the underpayments. DG said that there could be cases of members not informing SFARS correctly of benefits they are in receipt of - not necessarily down to maladministration. Post SGB, DG will inform the Pension Board of the outcome.

5.2 HS added that the communications sent to members should also be reviewed to establish whether the correct papers were sent out to the members- to give them opportunity to disclose benefits.

6. Update from Administrator / Bulletins, Factsheets, Technical Notes/Events/Surveys

6.1 HS took the group through the Update paper from WYPF, which was circulated prior to the meeting. Key points to note:

- Communication Meeting was attended in June – discussed COVID and its impact. FPS website has full list of any impacts and informed the Board they can review this for any changes made.
- Consultation for Remedy hoped for next few weeks but no official update as yet.

- Annual conference is to be held in September virtually.
- Bulletin 32 – Action required regarding Top Up Grant.
- Bulletin 33 - gave information about NI refund claims. Confirmed that protected pension age has been extended to end of October due to COVID, won't be affected by tax charges. IDRPF factsheet issued.
- Bulletin 34 - HS informed that SFARS should show tax awareness impact on annual allowance for any new roles. Also noted for SFARS regarding ABS communication – the wording has been supplied and should be sent out to members if not done already.
- HS raised that performance data report KPIs are included in the monthly reports and suggests separate data is not required. The Board agreed with this proposal. BS to follow up with HS regarding the admin of this.

6.2 IV suggested that for future Pension Boards a HR representative to attend so they are able to assist and clarify around matters for those retired on ill health. GL wanted a named individual from HR to be the main contact who would attend periodically. This was agreed.

ACTION 39 – Actions to be completed from WYPF Bulletin Update 32/33/34 regarding top up grants, showing tax implications on annual allowance for new roles and provided ABS wording to be communicated out to members.

ACTION 40 – HS/BS to discuss the format of KPI information submitted to the Pension Board moving forward.

7. Risk Register Update

7.1 DG will communicate post meeting and comments to be sent back to DG for review at next meeting. Action already completed.

8. Any Other Business

8.1 Sean Starbuck Letter

BM raised that following legal advice from Weightman's, there is differing view from an alternate solicitor to suggest statute of limitations to be applied in a different way and as Board, the Scheme Manager should be advised of potential challenges. An action was taken that as a Board to share the contents of the letter with the Scheme Manager. Bearing in mind contradictory advice, GD would like a paper put together to go to SGB for consideration. GL/DG will pick up with GD.

ACTION 41 – GL/DG to speak with GD further regarding conflicting advice regarding statute of limitations – A paper on this will go to SGB.

8.2 GD asked RW from FBU whether the FBU have intention to share this also with the FRA Scheme Manager? RW will investigate and follow up with GD.
HS suggested to speak with Jane Marshall for further comment and to also consider that they are the solicitors to the FBU, so ambiguity would be read in favour of the member they are working for. HS thought this has come from the last scheme advisory board, where differing views were highlighted. GL noted this hasn't yet been officially communicated so this is just to notify SGB at this stage.

ACTION 42 – RW to investigate whether the FBU will share the differing advice on limitations with the Scheme Manager and to inform the Board.

8.3 Protected Pension / Abatement

BM raised this point following an email sent to Board members in advance of the meeting. BM asked whether this benefit of using retired FF for COVID impact had been taken advantage of or not, and if not, why.

GL said there is not a need to reengage with retired members as sickness levels have not been affected as much to need to access retired FFs. Attained availability has been at the best level in the last 10 years.

- GL added that this is documented in the business recovery plan – is an option if required but not needed.
- 8.4 BM asked whether the Abatement decisions is still currently on hold. IV is looking only at operational staff (not support staff) and most are not subject to Abatement. No separate policy for this.
DG noted that he will work on this policy and bring back to next board. IV will support.
HS added that to avoid confusion SFARS should have a policy for both staff, operational and support.

ACTION 43 – DG/IV to work on the policy for abatement for both operational and support staff and bring back to the next Pension Board Meeting

Dates of next meeting

6 October 2020