

**Minutes of the meeting of the Local Pension Board held on 18 February 2019 at
Fire and Rescue Headquarters, St Asaph Business Park**

PRESENT

Richard Fairhead, Fire Leaders Association - Prospect, Employee Representative
(Chair)

Cllr Bryan Apsley, Employer Representative

Julie Brown, Head of Finance, Advisor

Ken Finch, Treasurer, Employer Representative

Geraint Hughes, Fire Officers' Association, Employee Representative

Cllr John Brynmor Hughes, Employer Representative

Helen MacArthur, ACO, Advisor

Blythe Roberts, Fire Brigades Union, Employee Representative

Duncan Stewart-Ball, Fire Brigades Union, Employee Representative

Cllr J Rodney Skelland, Employer Representative

Alwen Davies, Members' Liaison Officer, Minute Taker

APOLOGIES

Jane Honey, Fire Officers' Association, Employee Representative

Ruth Simmons, ACFO, Employee Representative

1 DECLARATIONS OF INTEREST

1.1 None.

2 MINUTES OF THE LAST MEETING

2.1 The minutes of the meeting held on 10 September 2018 were approved as a correct record.

3 MATTERS ARISING

3.1 Membership – it was noted that new members were required to complete the online training as soon as possible and it was agreed that the Head of Finance would meet separately with Blythe Roberts, Duncan Stewart-Ball and Jane Honey to offer assistance.

4 FIREFIGHTERS PENSION SCHEMES – UPDATE REPORT

4.1 The Head of Finance presented the report which informed members about the scheme membership, together with updates on:

- All Wales Firefighters' Pension Group
- Government Actuary Department – Pension Valuation
- Additional Pension Benefits
- Internal Dispute Resolution Procedure (IDRP) – complaints received
- Overview of FPS bulletins and circulars

- Communications issued.
- 4.2 It was noted that 47 new employees had joined in April 2018 and only one had chosen to opt out of the automatic pension enrolment. More staff are retiring outside of the usual criteria and the feedback received is that this is due to the high contribution rates that they are paying.
- 4.3 Members were also asked to note:
- that the internal dispute resolution procedure will be reviewed and presented to a future meeting of the LPB for consideration;
 - the Pensions' Regulator has recommended that all LPB meetings meet four times per year as standard practice;
 - two complaints are currently being dealt with and officers are working with the complainants and the pension scheme administrators in order to identify a solution.
 - that an annual survey from the Pensions' Regulator will need to be completed at the next meeting of the LPB.
- 4.4 **RESOLVED to:**
- (i) note the report;**
 - (ii) agree to hold four LPB meetings per year as of April 2019 onwards.**
- 5 DYFED PENSION FUND UPDATE
- 5.1 ACO MacArthur presented the report, on behalf of Dyfed Pension Fund, which gave members an update on the administration of the schemes. The report provided assurance that the scheme is being properly administered and the updates covered the following topics:
- Regulatory Update
 - General Data Protection Regulation (GDPR)
 - E-communication
 - Annual Benefit Statements
 - GMP reconciliation
 - Data Quality Reports
 - My Pensions Online
 - Workflow
- 5.2 **RESOLVED to note the content of the report and request that, as a matter of good practice, a member of staff from the Dyfed Pension Fund attends the LPB meeting on an annual basis.**

6 MY PENSION ONLINE – TRAINING SESSION

- 6.1 The Head of Finance delivered a training session on My Pension Online to demonstrate its capabilities in helping pension members manage their pension information.
- 6.2 Concern was expressed about the low number of members who had registered for my pension online. It was agreed that all union representatives would promote the online system to their members as the annual benefit statements are no longer sent in the post. It was suggested that a short user guide would also be beneficial to encourage members to join up. Members requested an update at the next meeting of how many staff had registered for my pension online as a percentage.
- 6.3 **RESOLVED to note the information provided.**

7 GAD VALUATION

- 7.1 ACO MacArthur informed members of the latest position in terms of the GAD valuation. The Scheme Advisory Board has met three times since September in order to discuss the 2016 valuation provisional results and cost cap process. The draft valuation results show a 'cost cap floor' breach –i.e. the pension scheme is costing less than expected. Therefore, Welsh Ministers are consulting with the SAB on how to change the pension scheme to fix this breach. However, recent communication had been received from the Welsh Government confirming that this matter was now on hold pending the outcome of the judgment by the Court of Appeal in the FPS 2015 transitional protections case.
- 7.2 Members were also advised that the GAD valuation had confirmed an increase in employer contributions from 1st April 2019. The increase has arisen due to a change in the SCAPE discount rate. Members were given a copy of the GAD presentation that had been delivered at a SAB meeting explaining the issue in detail. It was noted that early indications suggest that the employer's annual pension contribution will increase by £1.2m from April 2019. The Welsh Government is seeking additional funding from HM Treasury and the budget set by the Fire and Rescue Authority anticipates that this will be received. However, this matter has not yet been concluded and remains a risk for 2019/20 and future years.
- 7.3 **RESOLVED to note the information.**

8 AOB

- 8.1 The Local Government Association is arranging an all-Wales training day for LPB members. Potential dates will be circulated to members and thereafter a decision will be made based on the availability of the majority
- 8.2 Duncan Stewart Ball asked for an update on Norman v Cheshire and expressed a desire that this matter should be progressed. It was agreed that further discussions would take place outside of the meeting.
- 8.3 It was noted that Julie Brown will become the Pensions Manager as of 1 April and a new person will take up the role of Head of Finance.