

**NORTHUMBERLAND COUNTY COUNCIL**

**Firefighters' Pension Scheme (FPS) Local Pension Board**

*The Board's Terms of Reference sets out: Urgent business of the Firefighters' Pension Scheme Local Pension Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Firefighters' Pension Scheme Local Pension Board including telephone conferencing and e-mails.*

At a meeting of the **FPS Local Pension Board** held via teleconference on Tuesday, 21 April 2020 at 10.00 a.m.

**PRESENT**

S Richards  
(Chair, in the Chair)

**SCHEME MEMBER REPRESENTATIVE**

Tiffin, G (GT)

**EMPLOYER REPRESENTATIVES  
COUNCILLORS**

Robinson, M (MR)

Swithenbank ICF (IS) (Vice-Chair)

**OFFICERS IN ATTENDANCE**

C Gorman (CG)

Principal Accountant (Pensions) -  
Project Officer

A Lister (AL)

Board Secretary

H Scargill (HS)

Client Relationship Manager  
(WYPF)

N Turnbull (NT)

Democratic Services Officer

**OBSERVERS**

C Johnson (CJ)

Principal Accountant

N McDermott (NM)

Senior Accountant

**Definition of Terms**

ABS

Annual Benefits Statement

CARE

Career Average Revalued Earnings

Common Data

E.g. name, address and date of birth, held  
for pensions processing

FPS

Firefighters' Pension Scheme

FRA

Fire and Rescue Authority

GAD

Government Actuary's Department

GMP

Guaranteed Minimum Pension

Ch.'s Initials.....

HMT	HM Treasury
IDRP	Internal Dispute Resolution Procedure
LPB	Local Pension Board
SAB	Firefighters' Pensions (England) Scheme Advisory Board
Scheme Manager	The Scheme Manager (a function not a person) is responsible for managing and administering a scheme
Scheme Specific (Conditional) Data	E.g. employment record and contribution history held for pensions processing
ToR	Terms of Reference of the Board
tPR	The Pensions Regulator
WYPF	West Yorkshire Pension Fund, as provider of shared administration service for NCC and other FRAs

## 1. Apologies

Apologies were received from A Fox (Scheme Member Observer).

## 2. Consideration (Declaration) of Conflicts of Interest

The Chair informed Board members that they would need to consider whether they had a conflict of interest arising from any of the agenda items to be discussed at each meeting. None were declared.

## 3. Minutes of the FPS Local Pension Board

It was noted that the minutes of the meeting of the Firefighters' Pension Scheme Local Pension Board, held on Tuesday 14 January 2020, had already been adopted and signed by the Chair as a true record (in accordance with the Board's terms of reference), and were received for information.

## 4. Chair's Briefing

The Chair commented that the meeting was being held by teleconference due to COVID-19 and the requirements for social distancing.

## 5. WYPF Business Continuity and COVID-19 Update

- Paying pensions
- Maintaining records
- Member/employer communications

HS gave a detailed update about the provisions made for WYPF business continuity during the COVID-19 pandemic. Guidance for Pension Administrators had been issued by tPR and the Pensions Administration Standards Association (PASA), details of which were included in the Monthly Client Report for April 2020 (item 7d). Areas to be prioritised included:

- Payment of benefits
- Processing of deaths
- New retirements
- Minimising the risk of scams.

There were approximately 15 staff working in the WYPF offices which were normally occupied by up to 150 staff and they were therefore able to observe social distancing requirements. These staff were working in the office due to the nature of their role, eg scanning or because they did not have internet access at home. The majority of staff were working at home on laptops which resulted in slightly slower processing times.

The monthly pensioner payroll for April had been run as normal including the applying the annual pension increase to pensions in payment. The payment run was now taking place every Friday, and no longer daily, so some FPS members would no longer receive their lump sum retirement grant on the day of retirement. However, a weekly payment was well within the time period required by the regulations. The retirement pack, which was emailed to members in most cases, had been amended to reflect this change.

The payroll had been successfully tested by staff working at home, should this be required.

The risk of scams was low within FPS administration as transfers out were not permitted by the regulations. However, WYPF staff had been made aware of the increased risk of scams, the website had been updated and information would also be shared in the newsletter issued with ABSs.

ABSs and transfers had been identified as secondary priorities. Whilst some software updates were required, WYPF expected to issue the majority of ABSs by the 31 August deadline. An update would be provided if this was likely to change.

Market volatility was affecting the cash value of transfer values which were reduced compared to estimates received before the pandemic. Individual checks were being made with FPS members to ensure the action taken was in their best interests. This was estimated to be 20 cases across the 16 fire authorities currently processed by WYPF. It was unknown whether any of these were Northumberland cases.

In answer to a question, it was confirmed that WYPF currently had no problem with staffing levels and keeping the FPS administration service functioning. The only identified issue was that processing was slower for staff working on laptops at home.

## **6. WYPF Report to NCC's FPS LPB on 21 April 2020**

HS outlined the report and highlighted the following:

- Fire Technical Community: working group formed to discuss the proposals from Treasury on the McCloud Remedy. Home Office consultation on O'Brien originally expected 'late' spring but could be delayed due to COVID-19. LGA Leaflet and guidance to be produced on abatement. 40% tax charge for recalculations required 12 months after original retirement date. It was confirmed that this only applied to new cases and would not be applied retrospectively.
- Valuation 2020 - GAD was expected to issue guidance on the process mid May and had confirmed that the deadline had been extended by 3 months to 31 December 2020.
- Monthly Returns and ABSs - One return was expected from NCC for the whole of 2019/20. NCC had been unable to move to monthly returns in 2019/20 due to the change in payroll software. It was hoped that NCC's annual return would be received on time and that NCC would move to monthly data submission from April 2020 onwards.
- Data Improvement Scores - report ran quarterly and scores updated with some minor improvements on the already high scores. The lower score of 50% for the 2006 modified scheme was believed to be due to start date mismatches which did not affect pensions in payment. This would be rectified when time permitted, although it would be raised to priority 1 if it affected the calculation of benefits for an active member.

## **7. Monthly Client Reports for NCC from WYPF**

Members of the FPS Local Pension Board received a copy of the following reports (copies of which are filed with the signed minutes and marked as Item 7). Standard headings within the reports included: Regulations, Member Issues, Administration Update including Member Web registrations, Membership Numbers and Key Performance Indicators (KPIs).

- a) January 2020
- b) February 2020
- c) March 2020
- d) April 2020

## **8. Main guidance for FPS administrators for measures introduced by Government to control the spread of COVID-19**

AL referred to the following guidance which had been captured from the relevant websites prior to the agenda papers being issued. It was noted that information on websites was being regularly updated.

- a) SAB COVID-19 webpage
- b) tPR COVID-19 scheme administration guidance - priorities for administrators to focus on.
- c) PASA COVID-19 Guidance for Administrators - priorities and measures for remote working.

Issues highlighted included injuries and awards under secondary contracts, COVID-19 additional activities to core duties, abatement, suspension of medical appeal boards, clarification as to whether COVID-19 should be treated as a qualifying injury under the compensation scheme.

In answer to a question regarding moving away from 'wet signatures', HS reported that they had not changed their processes. Individuals were invited to receive their retirement pack by email and encouraged to print relevant documents, sign, scan and email back, due to there being delays with postal deliveries. Checks were made with signatures and emails held on records. This would be discussed further if the issue became more problematic.

CG confirmed that the above process had worked for the application of a discretion where the emailed approval from the S151 Officer had been saved to the member's record in place of a form which would have previously provided the evidence for the record.

#### **9. National Framework Agreement for the Supply of Police and Fire Medical Appeal Board Services**

AL reported that the healthcare provider for police and fire medical appeal board services had requested that these be suspended for an initial period of 3 months (to 20 June 2020).

#### **10. Ministerial Statement re McCloud 25 March 2020**

AL referred to the written statement published by the Economic Secretary to the Treasury regarding progress toward remedy in public service pension schemes following the McCloud/Sargeant age discrimination case. The remedy would be applied to all pension scheme members with relevant service, regardless of whether they had made a claim. More information was to be made available later in the year, particularly with regard to tax implications, with a public consultation in due course.

In answer to a question, HS believed that an agreement would be reached between the Home Office, HMRC and the Treasury with regard to the 40% tax charge referred to in item 6, further information and confirmation was awaited.

#### **11. Split pensions (two pensions)**

AL commented that access had been given to payroll staff to make the appropriate checks, however, progress had been delayed due to other priorities during the current pandemic.

#### **12. LGPS Merger and FPS Board Administration**

CG confirmed that the consultation on the regulations for the merger between NCC Pension Fund and Tyne and Wear Pension Fund (TWPF) had launched on 20 March 2020 and was due to close on 1 May 2020. The regulations had

been drafted and were expected to be laid and made by Parliament mid-May 2020 and to come into force in June 2020. Two members of the NCC Pensions Team would be TUPE transferred to TWPF.

Board members were informed that the Terms of Reference for the Board would need to be changed as they currently required two members of the Pension Fund Panel to sit on the FPS Local Pension Board, and the Pension Fund Panel will no longer exist once the merger exercise is completed. A report would be taken to a future meeting of Council to propose that the Corporate Services and Economic Growth Overview and Scrutiny Committee be substituted for the Pension Fund Panel in the Board's Terms of Reference. The Audit Committee could not be utilised for this purpose as it was part of the escalation process for the Board.

The Corporate Services and Economic Growth Overview and Scrutiny Committee had been identified due to its current remit and likely access to financial business acumen. Coincidentally, Cllrs Robinson and Swithenbank were also members of that Committee.

Revised secretariat arrangements would be required following the TUPE transfer of the current Board Secretary; Craig Johnson and Natalie McDermott had been identified to replace AL, with support from CG.

CG and the Chair, on behalf of the Board, thanked AL for his excellent work and diligence supporting the Board since 2017.

### **13. Reports of the NCC FPS Scheme Manager:**

Members of the FPS Local Pension Board received a copy of the following reports (copies of which are filed with the signed minutes and marked as Item 13):

#### **(a) Breaches in the quarters to 31 March 2020**

It was noted that: there had been no new breaches identified.

#### **(b) Scheme administration, complaints, appeals, IDRPCs**

There were no new issues to report.

#### **(c) FPS national developments**

A list was included on pages 99 - 103 of the agenda papers.

### **14. Agenda and Minutes of WYPF quarterly client meeting held 5 March 2020**

The Board received a copy of the minutes of the WYPF Fire Clients meeting dated 5 March 2020.

**15. Future meeting dates**

Members received a list of proposed dates for meetings of the FPS Local Pension Board in 2020/21 which was now scheduled to meet on a quarterly basis.

The Board was next due to meet on 21 July 2020 and a decision would be taken nearer the time as to the format of the meeting depending on the circumstances at the time and whether social distancing was still required.

**16. Any other business**

A member sought clarification and reassurance regarding any areas of concern for the administration of pensions.

HS stated that she had no major concerns at the moment and that WYPF would be able to continue to provide the pensions administration service. The only difference being that response times were slower with staff working at home on laptops instead of the normal office environment.

Some amendments to processes had been made, such as arrangements for a third party to print and issue letters, although correspondence was issued by email where this was possible, information was also available on the portal.

The Board **gained assurance** that arrangements were in place at WYPF regarding the administration of pensions during the COVID-19 pandemic.

The Chair thanked everyone for their participation and contributions.

(The meeting ended at 10.55 a.m.)

**CHAIR** S Richards

**DATE** 28 May 2020