



Firefighter Pension Schemes Local Pension Board Minutes

Date of meeting	Thursday 16th January 2020
Time of meeting	9.30am
Location of meeting	Jo Turton's Office, First Floor, Kelvedon Park

Attendees:

Employer representatives:

Dave Bill, Assistant Chief Fire Officer, Director of Innovation, Risk and Future Development (Chair)
Sally Froment, Head of HR Partnering

Employee representatives:

Alistair Castle, FRSA
Andy Knowles, FBU

Invited participants:

James Durrant, Pensions Manager
David Golding, Technical Analyst, Essex Pension Fund
Michael Jerrison, Pensions Support Officer

Apologies from:

Moira Bruin, Assistant Chief Fire Officer, Director of Operations

	Agenda item	Action
1	Welcome, introductions and apologies Dave welcomed all to the meeting. There were apologies from Moira Bruin. The meeting was declared as quorate.	
2	Conflict of interest declarations No further conflicts of interest were declared.	
3	Minutes of last meeting Dave went through the minutes from the last meeting on Thursday 6th June 2019. No comments were received and the minutes were agreed as an accurate reflection of the meeting.	

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4	<p>Review of Terms of Reference – Increasing the membership of the Board</p> <p>James explained that in October, a paper was circulated to the Service Leadership Team asking to increase the membership of the Board. This is because the Board’s meeting planned for 4th September 2019 was postponed to 8 October 2019, but this was then cancelled and not re-arranged, both due to lack of quorum. This meeting (16 January 2020) was actually planned for 4th December 2019 but was postponed, again due to lack of quorum.</p> <p>To increase the likelihood of the Board being able to meet and fulfil its functions, the Service Leadership Team were asked for agreement to:-</p> <ol style="list-style-type: none"> 1. Increase membership from three employer and three scheme member representatives, to four each. 2. Recommend an appointment to the fourth employer representative position on the pension board. 3. Approve the recruitment of a pensioner representative to fill the fourth member representative position. <p>Going forward the Board’s membership would be as follows:-</p> <table border="1" data-bbox="146 913 1257 1355"> <thead> <tr> <th data-bbox="146 913 655 965">Employer representatives:</th> <th data-bbox="655 913 1257 965">Scheme Member representatives:</th> </tr> </thead> <tbody> <tr> <td data-bbox="146 965 655 1066">Dave Bill</td> <td data-bbox="655 965 1257 1066">Alistair Castle, FRSA</td> </tr> <tr> <td data-bbox="146 1066 655 1167">Moira Bruin</td> <td data-bbox="655 1066 1257 1167">Andy Knowles, FBU</td> </tr> <tr> <td data-bbox="146 1167 655 1267">Sally Froment</td> <td data-bbox="655 1167 1257 1267">Vacancy, FOA ?</td> </tr> <tr> <td data-bbox="146 1267 655 1355">Vacancy</td> <td data-bbox="655 1267 1257 1355">Pensioner Representative</td> </tr> </tbody> </table> <p>FOA have been asked to nominate a person to be their representative. However, nobody has been put forward. James will ask the FOA lead, whether they wish to relinquish their place on the Board, for at least a couple of years, at which point it could be reviewed. A scheme member representative could be sought from current employees.</p> <p>On 19 December 2019, James wrote out to all pensioners, who last worked for ECFRS in the last 20 years and who live in East Anglia, asking them if they would like to volunteer to serve on the Pension Board. Applicants should complete an application form (which was enclosed with the letter) and write a short statement in support of their application by 20 January 2020.</p> <p>If more than one application is received, the applicants will be shortlisted and interviewed by James and Dave Bill. If there is only one applicant, their application will be considered and a recommendation to Glenn as Scheme Manager to appoint the person to the Board. This process should be completed by early February 2020, so that the successful candidate has enough time to complete some training.</p>	Employer representatives:	Scheme Member representatives:	Dave Bill	Alistair Castle, FRSA	Moira Bruin	Andy Knowles, FBU	Sally Froment	Vacancy, FOA ?	Vacancy	Pensioner Representative	
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	<p>Their first meeting will be on 5 March 2020. One application has been received as at 16 January 2020.</p> <p>The Board discussed at what level of seniority the employer representative needs to be and identified that a Station Manager could be an appropriate level able to answer questions raised by staff. Dave asked if James could email Dave with the duties of an employer representative so that he can identify suitable candidates and whether he could utilise the talent pool for this as a development opportunity.</p>	<p>James could email Dave with the duties of an employer representative</p>
5	<p>Training Item – The Authority’s Internal Dispute Resolution Procedure</p> <p>James took the Board through their training item, which is the Authority’s Internal Dispute Resolution Procedure (IDRP) arrangements.</p> <p>This follows on from the Pension Regulator online module completed by Board members prior to the meeting. At the end of the module it asked the Board members to take a look at their scheme and to find the answers to the following questions:-</p> <ul style="list-style-type: none"> • Does your Scheme have a one or two stage process? • Who is responsible for completing stage one and, if appropriate, stage two of the process? • What is the timeframe for reaching a decision? • What is the timeframe for notifying the applicant? <p>Two stages, as per the 2009 guidance from CLG and agreed with the Firefighters’ Pension Committee that existed at the time. Feedback from Pension Ombudsman that they would prefer a one-stage IDRP. This was reviewed at the June 2019 meeting of the Firefighter’s Scheme Advisory Board, where they recommended it should remain a two stage process.</p> <p>At Stage One the grievance will be considered by the Chief Fire Officer or a person specified by him/her to decide a Stage One application. If the person with the grievance remains dissatisfied, he or she may then enter Stage Two of the appeal process. At Stage Two the grievance is heard by the Police, Fire and Crime Commissioner or a person specified by him/her who works for the Office of the Police, Fire and Crime Commissioner.</p> <p>At stages one and two, the person responding to the complaint has two months’ to reach a decision and notify the applicant. If it is likely to take more than two months’, the applicant should be notified in writing. This may be, for example, if the respondent required legal advice.</p> <p>James showed the Board the complaints that have been heard under IDRP, who heard the IDRP, the outcome (i.e. upheld/partially upheld or not upheld) and the response times. In some cases the two month deadline had been missed. Dave has raised that the response time of two months was too long for a person to wait for an outcome and requested that this is shortened. Dave referred to the grievance procedure where the appellant receives a response within seven days and asked why it is two months for Pensions and why there</p>	

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	<p>was a delay with the pensionable pay case.</p> <p>James replied that there have been some delays in appointing a person to hear it. Issues are sometimes complex and require legal advice. With regard to the pensionable pay IDRPs, the complaint was raised straight after the Booth case and the judgment had not yet been handed down. That IDRPs also required legal advice and leave had delayed the response to the scheme member.</p> <p>Dave asked what the process is when an IDRPs is raised. James replied that the IDRPs paperwork comes to him and if stage 1, he then forwards this to the Chief Fire Officer, who appoints a person to hear it. If stage 2, the IDRPs paperwork comes to him, he then forwards it to the Chief Executive of the PFCC to appoint a person to hear it.</p> <p>Dave asked to be copied in to the emails that go to the Chief Fire Officer and the Chief Executive of the PFCC for stage 1 and 2 respectively, so he can monitor response times and ensure a person is appointed promptly.</p> <p>James will consider the Grievance procedure to see if there is any good practice that can be used in the IDRPs to shorten the time taken for a response.</p> <p>Dave asked if the scheme member representatives were aware of the IDRPs. Andy and Alistair replied that they were not and would like to highlight these to their membership. James will send details of the IDRPs, but reminded the Board that he would always try to resolve informally, but if unable to then the member can proceed to IDRPs.</p> <p>The procedure and the forms are available on the Intranet, via the HR, People, Values and Culture button and then at the bottom of the Pensions page.</p> <p>As it is not only current employees who can complain, former employees and dependants of scheme members can too, the procedure and the forms are also available on the Internet page, www.fire.essexpensionfund.co.uk under the Forms and Publications section.</p>	<p>James to amend the process so that Dave Bill is copied in the email that goes to CFO and CEO of the OPFCC</p> <p>James will send details of the IDRPs to the Board.</p>
6	<p>Pensions Court Cases:-</p> <p>i) Sargeant and Others v London Fire and Emergency Planning Authority and Others – “Sargeant”</p> <p>James reminded the Board of the background of the Sargeant case.</p> <p>In all the main public service CARE schemes introduced in 2015, those closest to their scheme’s Normal Pension Age (NPA), (when a member could choose to retire with an unreduced pension) given ‘full’ transitional protection, i.e. those within 10 years of their NPA at April 2012 were allowed to remain in their current scheme. In most of these schemes those who were between 10 and 14 years from normal retirement age were given ‘tapered’ transitional protection, meaning they move to the 2015 scheme, at a later date than those members without transitional protection.</p>	

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<p>Two claims brought; Judges' pension scheme (the McCloud case), the Firefighters' pension scheme (the Sargeant case) claiming that transitional arrangements were discriminatory on the basis of age, sex and race. The Court of Appeal determined that transitional protection gave rise to unlawful age discrimination in the judges' and firefighters' pension schemes. The position at the previous meeting of the Board on 6th June 2019 was that we were awaiting confirmation as to whether the Supreme Court would allow the Government to appeal. Since then, the Supreme Court refused the Government's application for permission to appeal, meaning that the Court of Appeal decision stands.</p> <p>On 15 July 2019 the Chief Secretary to the Treasury made a written ministerial statement (HCWS1725) confirming that, as 'transitional protection' was offered to members of all the main public service pension schemes, the government believes that the difference in treatment will need to be remedied across all those schemes. A case management hearing was scheduled for 18 December 2019 in the Sargeant case, with a view to setting out the steps to appropriately implement the Court of Appeal decision.</p> <p>The Firefighters' case management hearing on the 18 December 2019 gave an interim declaration that the claimants are entitled to be treated as if they had been given full transitional protection and had remained in their current scheme after 1 April 2015. The Government intends to extend the same treatment to all members of the public service pension schemes (whether claimants or not) who are in the same legal and factual position as the claimants. However, many non-protected members may be better off in the new career average pension arrangements than they would have been if moved back to the old pre-2015 pension schemes. Government intends to ensure that such persons can keep the benefits they have accrued and making the required changes to the public service pension schemes will take time.</p> <p>Technical discussions will be held with the Firefighters' Pensions Scheme Advisory Board (SAB), which comprises members of the FBU, FRSA, FOA and FLA as well as employer representatives. These discussions will consider changes to the scheme which are necessary:</p> <ul style="list-style-type: none"> • to remove discriminatory provisions from the public service pension schemes for non-claimants; and • to ensure individuals can keep benefits they have accrued, for example if they would have been better off in the new scheme. <p>Following these discussions, the Government will formally consult on its proposals, providing a further opportunity for stakeholders to input.</p> <p>The Government is committed to urgently addressing the position of scheme members who have been ill-health retired or have already retired from the 2015 scheme. FRAs may be required to re-test those individuals, who since 1 April 2015 who were referred to an IQMP, under the rules of their old and new scheme. Changes of this nature require time to implement and the Home Office will provide further detail in due course.</p>	

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<p>Government's initial estimates suggest removing the difference in treatment the discrimination will add around £4bn p.a. to scheme liabilities across the public services from 2015. The underlying aims of the 2015 reforms remain: public service pensions are and will continue to be a significant cost for the taxpayer.</p> <p>The McCloud/Sargeant judgment does not alter the government's commitment to ensuring that the cost of public service pensions is both affordable for taxpayers and sustainable for the long term.</p> <p>The most recent valuation process set employer contribution rates until 31 March 2023 as follows:- FPS 1992 and special members of FPS 2006 is 37.3% of pensionable pay; FPS 2006 (excluding special members) is 27.4% and FPS 2015 is 28.8% of pensionable pay.</p> <p>The next valuation will assess scheme costs in the usual way, setting employer contribution rates from 1 April 2023. There are many factors that could affect the valuations between now and then, the Sargeant ruling is just one. Too early to say whether employer contribution rates will increase from 2023. If deficits do emerge in the scheme, they will need to be paid off over the deficit recovery period in the usual way.</p> <p>The interim order gave a timeline of remedy:-</p> <table border="1" data-bbox="146 952 1283 1435"> <tbody> <tr> <td data-bbox="146 952 469 1064">6 March 2020</td> <td data-bbox="469 952 1283 1064">The Claimants and the Respondents will send to each other and the Tribunal the wording of any final declaration.</td> </tr> <tr> <td data-bbox="146 1064 469 1176">27 March 2020</td> <td data-bbox="469 1064 1283 1176">The Claimants and the Respondents will confirm to each other and to the Tribunal whether they agree the wording of the final declaration proposed.</td> </tr> <tr> <td data-bbox="146 1176 469 1249">12 June 2020</td> <td data-bbox="469 1176 1283 1249">Claimants to provide information re: claims for financial losses/injury to feelings etc. by this date.</td> </tr> <tr> <td data-bbox="146 1249 469 1361">17 July 2020</td> <td data-bbox="469 1249 1283 1361">A further hearing with a view to determining the final form of declaration and any other outstanding directions on remedy issues.</td> </tr> <tr> <td data-bbox="146 1361 469 1435">4 September 2020</td> <td data-bbox="469 1361 1283 1435">Respondents to respond to the claims for financial losses/injury to feelings etc by this date.</td> </tr> </tbody> </table> <p>Fire Authorities have been instructed to take no immediate action until further instruction from the Home Office or the Scheme Advisory Board is received, other than certain work to prepare for the remedy. James has identified who is an ECFRS claimant to the tribunal, there 181 current and former employees. James has also identified those that would be non-claimants, i.e. not listed as a claimant but is likely to be affected once the Government implements remedy. This is currently a further 466 individuals.</p> <p>Work is underway to identify who has been referred to an IQMP since 1 April 2015, in case they need to be re-assessed under the rules of the old scheme. Work is also underway to update the Authority's assumptions for workforce planning with the scenario of 'what if everybody moved back to their old scheme'.</p>	6 March 2020	The Claimants and the Respondents will send to each other and the Tribunal the wording of any final declaration.	27 March 2020	The Claimants and the Respondents will confirm to each other and to the Tribunal whether they agree the wording of the final declaration proposed.	12 June 2020	Claimants to provide information re: claims for financial losses/injury to feelings etc. by this date.	17 July 2020	A further hearing with a view to determining the final form of declaration and any other outstanding directions on remedy issues.	4 September 2020	Respondents to respond to the claims for financial losses/injury to feelings etc by this date.	
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<p>Sally asked when this is likely to take effect. James replied that we should have a final outcome by July 2020, but this will then take some time to fully implement, including to those who have already retired. David stated that the Government does seem keen to make changes that avoid any further claims of discrimination.</p> <p>Andy asked if it is possible for people to still register as a claimant. James was not sure and has received no information on this although he is aware that the FBU have communicated about this.</p> <p>The Board noted the complicated issues regarding pensions tax, i.e. annual allowance and the potential for underpayments of contributions.</p> <p>ii) Booth v Mid and West Wales Fire Rescue Authority – “Booth”</p> <p>James updated the Board on the High Court case concerning pensionable pay under the Firefighters Pension (Wales) Scheme, which considered if allowances, alongside the firefighter’s basic pay, constituted pensionable pay.</p> <p>Four firefighters (Booth, Bradshaw, Jones and Skhane) made complaints to the Pensions Ombudsman. Bradshaw was a pensioner member of the Firefighters’ Pension (Wales) Scheme 1992. Booth, Jones and Skhane were all former members of the Firefighters’ Pension Scheme (Wales) 2007 and active members of the Firefighters’ Pension Scheme (Wales) 2015.</p> <p>The allowances:</p> <ul style="list-style-type: none"> • Bradshaw received a training allowance, which had not been treated as pensionable. • Booth received a daily crew allowance, which was only partly treated as pensionable. • Jones received a self-rostered crewing allowance, which was only partly treated as pensionable pay. • Skhane received an urban search and rescue allowance (USAR), which was not treated as pensionable pay. <p>The findings of the High Court are below:-</p> <table border="1"> <thead> <tr> <th>Pay Element(s)</th> <th>Scheme</th> <th>High Court judgment</th> </tr> </thead> <tbody> <tr> <td>Training Allowance</td> <td>1992</td> <td>Pensionable as part of permanent role, but not pensionable if attached to a temporary promotion.</td> </tr> <tr> <td>Day Crewing</td> <td>2007 & 2015</td> <td>Pensionable</td> </tr> <tr> <td>Self-Rostered Crewing</td> <td>2007 & 2015</td> <td>Pensionable</td> </tr> <tr> <td>USAR</td> <td>2007 & 2015</td> <td>Not pensionable because it is part of a secondary contract which is paid in relation to the performance of the duties of a specialist USAR team member rather than forming the duties of the Firefighter’s role as a Firefighter.</td> </tr> </tbody> </table>	Pay Element(s)	Scheme	High Court judgment	Training Allowance	1992	Pensionable as part of permanent role, but not pensionable if attached to a temporary promotion.	Day Crewing	2007 & 2015	Pensionable	Self-Rostered Crewing	2007 & 2015	Pensionable	USAR	2007 & 2015	Not pensionable because it is part of a secondary contract which is paid in relation to the performance of the duties of a specialist USAR team member rather than forming the duties of the Firefighter’s role as a Firefighter.	
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<p>A complaint under the IDRP was raised following the Booth case and the Authority was required to carry out a review of pensionable to see if following the ruling there is a need to make an allowance or payment pensionable when it is currently considered non-pensionable, or non-pensionable when it is currently considered pensionable.</p>																																					
<p>The following table summarises the outcome of that review:-</p>																																					
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<p>iii) O'Brien v Ministry of Justice – “O'Brien”</p> <p>Mr O'Brien was appointed as a part-time Recorder on 1 March 1978, employed until 31 March 2005. He is entitled to a pension by virtue of the Part Time Workers Directive, which the United Kingdom was required to transpose into domestic law by 7 April 2000. When the case was remitted to the employment tribunal, Mr O'Brien, alongside other part-time judges, contended that he was entitled to have his service prior to 7 April 2000 taken into account in the calculation of the amount of his pension.</p> <p>The Ministry of Justice accepted that his pre-2000 service was relevant to qualify for a pension but not relevant for the amount of a pension. Therefore, Mr O'Brien's pension was calculated on service of less than five years, instead of a period of 27 years.</p> <p>Mr O'Brien's case has been through the courts. The Supreme Court referred the issue to the CJEU, which concluded that part-time work undertaken before the Part-Time Workers Directive on 7 April 2000 must be taken into account for the purposes of calculating a retirement pension.</p> <p>The FPS 2006 (Retained Modified) exercise relied on the Part-Time Workers Directive. It is understood the Home Office are looking at this, but issues of pay data and tax issues are complicated and will take a long time. FRA's are unable to do anything until further information from the Home Office, i.e. a Government consultation and a change in the law.</p> <p>It is understood the Home Office are looking at this, but issues of pay data and tax issues are complicated and will take a long time.</p> <p>FRA's are unable to do anything until further information from the Home Office, i.e. a Government consultation and a change in the law.</p>	
<p>7 Work-plan Activities</p> <p>James took the Board through their work-plan activities for September and December.</p> <p>i) APB return – Temp. Promotion & CPD - feedback / performance against target date</p> <p>James updated the Board on whether ECFRS met the deadline for submitting the APB return.</p> <p>Payments for CPD and for Temporary Promotion count as an Additional Pension Benefits (APBs) in the FPS 1992 and FPS 2006 for both standard and special members. APBs do not exist in the FPS 2015. The APB year runs from July to June, unlike the normal end of year return, which runs April to March. The data was required from both HR & Payroll systems, SAP and Civica.</p> <p>235 pension records for CPD APB and 25 pension records for Temporary Promotion APB were reported to Essex Pension Fund. The deadline was 31 July and the data was submitted on 31 July.</p>	

Agenda item	Action
<p>ii) Feedback from Annual Benefit Statements</p> <p>Feedback received was positive, however not much feedback was received.</p> <p>A number of scheme members reported that their ABS was sent to an old address. As a result of this, James will provide a bulk address update to Essex Pension Fund in July 2020 ahead of the ABS run. Sally suggested that a reminder is sent via the Shout before the bulk address update, to remind people to update their addresses. This suggestion will be taken forward.</p> <p>It was suggested that the ABS' could be emailed or made available under Civica Self-Service. James replied that although Essex Pension Fund use a Civica pension administration system, it is not guaranteed that the two systems will be able to talk to each other. There are difficulties in uploading data to Civica and it may require some configuration. It may be possible to email the statements to work email addresses as every employee has a work email address. David suggested that he and James speak to Chris Pickford, Essex Pension Fund's Systems Manager about this.</p> <p>The Board noted that it is unclear what should be shown on an ABS in August 2020, in light of the Sargent case and there is limited time for software providers to update their systems. FRA's may receive some instruction from the Home Office or Scheme Advisory Board on this.</p> <p>iii) Auto-Re-enrolment – Update/Feedback and no. of opt outs</p> <p>James updated the Board on the outcome of ECFRS' Automatic Re-Enrolment date. The background of Auto Enrolment was explained to Board members; to help people save more for their retirement, the Government requires employers to enrol their workers into a workplace pension scheme every 3 years.</p> <p>The 3-year anniversary of ECFRS' Pensions Automatic Enrolment date occurred this year and the selected Auto Re-enrolment date for ECFRS was 1 September 2019. This meant that, anyone not currently in a pension scheme and who:-</p> <ul style="list-style-type: none"> • earns more than £833.33 in September 2019, • is over the age of 22 but below state pension age, • did not opt-out of an ECFRS pension scheme in the last 12 months and, • does not hold protection against the HMRC lifetime allowance... <p>..will be auto enrolled into a pension scheme, the Local Government Pension Scheme for Support or Control staff, or the FPS 2006 or FPS 2015 for Firefighters.</p> <p>Each employment is assessed separately against the criteria. The key processes took place on the following dates:-</p>	<p>James to arrange for a message in the Shout reminding people to keep their addresses up to date.</p> <p>David and James to discuss with Chris Pickford.</p>

Agenda item		Action																												
June to August 2019	Auto-enrolment functionality was tested in Civica's test and live systems.																													
2-5 August 2019	Those not in a pension scheme emailed to advise them that Auto-enrolment may apply to them in September if they meet the criteria.																													
1 September 2019	Letters to those who have fixed earnings who have been auto-enrolled.																													
12 September 2019	Letters to those who have variable earnings who have been auto-enrolled.																													
27 September 2019	Letters to those who have not been auto-enrolled – stating they can join a scheme if they wish to.																													
13 October 2019	Legal 6-week deadline to send AE letters expires.																													
<p>On 1 September 2019, 53 people were enrolled into the FPS 2015 and 3, due to their transitional protection, were enrolled into the FPS 2006. 41 of the 53 (77%) enrolled into the FPS 2015 opted out of the scheme and received a refund of their contributions. 2 of the 3 (66%) enrolled into the FPS 2006 opted out and received a refund of their contributions.</p> <p>Of those enrolled, 33 were Wholetime Firefighters, of which 27 (82%) opted out. 23 were On-Call Firefighters of which 16 (70%) opted out.</p> <p>53 of those enrolled were male, of which 40 (75%) opted out. 3 were female and all 3 opted out.</p> <p>Further analysis was done on age:-</p> <table border="1"> <thead> <tr> <th>Age</th> <th>Total Enrolled</th> <th>..Of which then Opted out</th> <th>..Of which remained in</th> </tr> </thead> <tbody> <tr> <td>18-30</td> <td>5</td> <td>3 (60%)</td> <td>2 (40%)</td> </tr> <tr> <td>31-40</td> <td>21</td> <td>18 (89%)</td> <td>3 (11%)</td> </tr> <tr> <td>41-50</td> <td>19</td> <td>14 (74%)</td> <td>5 (16%)</td> </tr> <tr> <td>51-60</td> <td>11</td> <td>8 (73%)</td> <td>3 (17%)</td> </tr> <tr> <td>60+</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>56</td> <td>43 (77%)</td> <td>13 (23%)</td> </tr> </tbody> </table> <p>iv) TPR Public Service Governance and Administration Survey</p> <p>This voluntary survey was carried out in November 2018. Survey results were delayed and finally published in July 2019. Since then, we responded to the 2019 survey in December 2019. Responses were compiled by Essex Pension Fund and ECFRS' Pensions Manager, offered to Scheme Manager and Chair of the Pension Board for any comments before sent on to TPR.</p> <p>James took the Board through the results of the 2018 survey and mapped the answers provided to the 2019 survey he provided for Essex Fire.</p>			Age	Total Enrolled	..Of which then Opted out	..Of which remained in	18-30	5	3 (60%)	2 (40%)	31-40	21	18 (89%)	3 (11%)	41-50	19	14 (74%)	5 (16%)	51-60	11	8 (73%)	3 (17%)	60+	0	0	0	Total	56	43 (77%)	13 (23%)
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Agenda item	Action
<p>In Fire, 63% have all six key features; 85% have documented policy to manage board members' conflicts of interest, 89% have procedures to identify, assess & report breaches of the law, 85% have process for resolving contribution payment issues, 98% have access to knowledge, understanding & skills needed to properly run scheme, 80% have documented procedures for assessing & managing risks, 85% have processes to monitor records for accuracy/completeness. For all but <i>'the have access to knowledge, understanding & skills needed to properly run scheme'</i> the Fire sector is below the public sector average. Essex has all six key processes in place.</p> <p>85% believe scheme manager/board have sufficient time & resources to run scheme properly, 20% had at least 4 board meetings in last 12 months and 89% of board meetings were attended by scheme manager or their representative (mean). All were below the public sector average. Essex answered yes to all, except the <i>'had at least 4 board meetings in the last 12 months'</i>.</p> <p>78% reported that all active members received ABS on time, of which 11% of those missing ABS deadline reported it to TPR . 93% report that all ABS sent out contained all the data required. The percentage of those missing ABS deadline reported it to TPR was below the public sector average. Essex's ABS's went out on time and contained all the required data.</p> <p>87% of schemes have a risk register, 89% reviewed exposure to new & existing risks at least quarterly, 85% have any cyber risk controls, 17% identified breaches of the law in the last 12 months and 2% reported any breaches to TPR in last 12 months. All these were below the public sector average. Essex did not reviewed exposure to new & existing risks at least quarterly or report any breaches to TPR in last 12 months. James will add the risk register to future Board agendas.</p> <p>83% report that 90%+ of employers provide timely data, 24% report that 90%+ of employers provide accurate & complete data, 85% have completed a data review in the last 12 months, 17% of those reviewing common data identified issues, 2% of those reviewing scheme-specific data identified issues. All were below the public sector average. Essex replied yes to all except to the question regarding scheme-specific data. This is because the data score had not been provided at the time of completing the survey.</p> <p>v) TPR Scheme Return</p> <p>The statutory TPR Scheme Return had to be submitted by the deadline of 19 November 2019. If missed this can lead to fines and improvement orders which are publically available. ECFRS' scheme return was submitted on 18 November 2019 to TPR. The return requires confirmation of key personnel and membership numbers.</p> <p>The Board were shown the membership numbers:-</p>	<p>James will add the risk register to future Board agendas.</p>

Agenda item	Action
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FPS 1992		
Member Type	As at 31 March 2018	As at 31 March 2019
Active Members	191	143
Deferred Members	69	93*
Pensioner Members	1196	1203*
Total Members	1456	1439

FPS 2006 (including Modified)		
Member Type	As at 31 March 2018	As at 31 March 2019
Active Members	57	49
Deferred Members	161	169
Pensioner Members	77	80
Total Members	295	298

FPS 2015		
Member Type	As at 31 March 2018	As at 31 March 2019
Active Members	734	802
Deferred Members	73	126
Pensioner Members	7	10
Total Members	814	938

At the next Board meeting on 5 March 2020, the Board will look at the following work-plan activities:-

- End of year Pension returns – submission / deadline dates
- SLA / Shared Service Agreement
- TPR Public Service Governance and Administration Survey 2019 – Results discussed – if available.

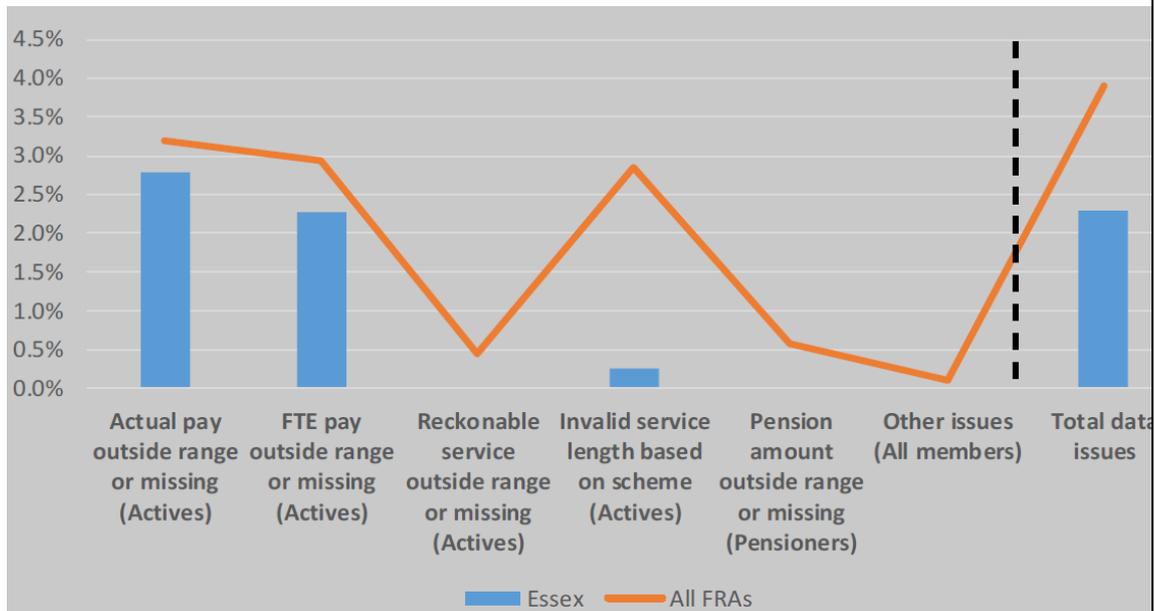
8 GAD data improvement reports for FRAs

James took the Board through the data improvement report for FRAs issued as a result of the 2016 valuation. This report was provided by the Government Actuary’s Department in September 2019.

The report showed that for the 2016 valuation, 96% of the membership records for active members (i.e. those currently paying into the schemes) were included the valuation. 4% of that data was not included. 100% of the membership records for pensioner members was included.

Agenda item	Action
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Chart 2 shows the main areas in which the data failed GAD's checks. The blue bar shows the proportion of scheme members excluded and the reason why, whilst the orange line shows the average across all Fire and Rescue Authorities.



The main issues related to pay data issues. David explained that GAD's tolerances for the range for pay increases were too narrow, so in some cases the pay data was actually correct.

Data was also excluded under the following categories:-

- Pensioner mortality analysis
- Dependant mortality analysis
- Active age retirement analysis
- Active other in-service analyses

This has been corrected ahead of the 2020 valuation. For the 2020 valuation GAD has asked for information on the claimants and the non-claimants in the Sargent case.

9	<p>Firefighters' pensions statistics</p> <p>James took the Board through the pension statistics contained within the Home Office's Fire and rescue workforce and pensions statistics, April 2018 to March 2019 published on 31 October 2019. The report showed the data for all fire and rescue services in England.</p> <p>Firefighter Pension Scheme expenditure in 2018/19 was around £856m, 6% increase compared with £811m in 2017/18 and 20% higher than 5 years ago (£711m in 2013/14). In 2018/19, 81 per cent of expenditure was "recurring outgoing payments" and 18 per cent was "commutation payments". Transfers and Miscellaneous expenditure together total less than one per cent.</p> <p>Income in 2018/19 was around £257m, a 1% decrease compared with 2017/18</p>	
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	Agenda item	Action
	<p>(£259m) and 15% decrease from five years previously (£301m in 2013/14). In 2018/19, 53% of income was “employer contributions”, 44% was “employee contributions” and the remaining 4% comprised transfers, miscellaneous income and ill-health charges.</p> <p>The deficit in 2018/19 was around £599m. This was a 9% increase compared with 2017/18 (£552m) and a 46% increase compared with 5 years previously (£409m in 2013/14).</p> <p>As at 31 March 2019, the total number of pensioner members was 43,665. Of these, 95% (41,347) were in receipt of benefits from the FPS 1992, 0% change from 31 March 2018, but down from 96% on 31 March 2017.</p> <p>22% of deferred members were still employed as a firefighter. Deferred members include those firefighters who continue in employment but have elected to opt-out of their membership of the pension scheme, and those who have left their employment before reaching the age at which they are entitled to receive their pension benefits.</p> <p>81% (19,145) of active regular members and 90% (8,449) of active retained members belonged to the 2015 Scheme as at 31 March 2019.</p> <p>The Board noted the report.</p>	
10	<p>Update on training/training plan</p> <p><u>TPR Module</u></p> <p>As the next meeting will be close to the end of year return, James suggested that the Board members complete the ‘<i>Maintaining accurate member data</i>’ TPR module ahead of the next meeting. The Board agreed.</p> <p>James will email the link to the training module.</p> <p><u>Training Needs Analysis - Questionnaire</u></p> <p>As recommended in TPR’s Governance and Admin survey, James asked if the Board would be prepared to undertake a training needs analysis in the form of a questionnaire.</p> <p>The purpose of this is to help Board members review and identify any training requirements. These may be arranged individually, or if other Board members identify the same training need, as a group. The areas of knowledge and understanding that are required from Board members to allow them to understand fully and challenge any information or advice they are given, have been identified.</p> <p>The Questionnaire will ask Board members to rate their level of knowledge and understanding on the required areas as follows:-</p> <ul style="list-style-type: none"> • <u>Strongly Agree</u> – My knowledge on this subject is very good and I don’t 	<p>Board to complete TPR module <i>‘Maintaining accurate member data’</i> before the next meeting.</p> <p>James to email the link to the module.</p> <p>James will send round the training needs analysis questionnaire.</p>

	Agenda item	Action
	<p>believe I require further training on it.</p> <ul style="list-style-type: none"> • <u>Somewhat Agree</u> – I know quite a lot about this subject, but there are a few gaps. • <u>Neither Agree nor disagree</u> – I have some knowledge on this subject but there are many gaps. • <u>Somewhat Disagree</u> – I only know a little bit about this subject. • <u>Strongly Disagree</u> – I know very little or nothing about this subject. <p>The Board agreed and James will send round the questionnaire for members of the Board to complete.</p>	<p>Board members to complete and return the training needs analysis questionnaire.</p>
11	<p>Any other business</p> <p>The Board discussed Annual Allowance and when someone will be affected by it. James replied that this is usually when someone is permanently promoted from Watch Manager to Station Manager and above.</p> <p>Dave had asked James to provide a workshop on Annual Allowance, and this will take place in the first quarter of 2020. Andy asked to be sent the Annual Allowance factsheet.</p>	<p>James to provide the Annual Allowance factsheet.</p>
12	<p>Date of next meeting</p> <p>The next meeting is on Thursday 5th March 2020 at 1.30pm in meeting room FF33 at Kelvedon Park.</p> <p>Future meetings are as follows:-</p> <ul style="list-style-type: none"> • Thursday 4th June 2020, 9.30am, FF41; • Thursday 3rd September 2020, 9.30am, FF41 and; • Thursday 3rd December 2020, 9.30am, FF41. 	