

Local Pensions Board Annual Report 2024/25

Report to:	Date:
Local Pension Board.....	12 June 2025
Commissioner's Board.....	09 July 2025
Deputy Mayor's Fire and Resilience Board.....	22 July 2025
Audit Committee	30 September 2025

Report by:
Clair Alcock, Independent Chair.

Authorising Head of Service:
Not Applicable

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For information

For publication

PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

This Annual Report outlines the activities and governance of the London Fire Commissioner's (LFC) Local Pension Board (LPB) for the financial year ending 31 March 2025. The LPB plays a critical role in supporting the LFC, as Scheme Manager, in ensuring compliance with pension regulations and promoting effective administration of the Firefighters' Pension Schemes (1992, 2006, and 2015).

Key developments during the year include the successful appointment of Clair Alcock as Independent Chair from January 2024, who stepped down in June 2025 due to a conflict of interest. The Board maintained a balanced composition of employer and employee representatives and held four quorate, in-person meetings at LFB HQ.

A major focus for 2024/25 was the implementation of the McCloud/Sargeant age discrimination remedy. This complex and resource-intensive process required the Board to scrutinise progress, ensure timely communication with members, and oversee the delivery of Remediable Service Statements (RSS). Despite sector-wide delays, the scheme administrator (LPPA) aimed to deliver 60–80% of RSSs by the statutory deadline of 31 March 2025.

Training and development remained a priority, with formal sessions delivered by the Pensions Regulator and LGA, and informal updates provided during meetings. The Board also contributed to national forums and shared best practices.

Looking ahead, the Board's 2025/26 workplan will focus on finalising remedy implementation, managing long-term compensation processes, and preparing for the rollout of pension dashboards.

The report confirms that the LPB has fulfilled its statutory duties, provided robust oversight, and supported the LFC in navigating a year of significant regulatory and operational complexity.

Recommended decision

That the Board notes the report

1 Introduction and background

- 1.1 The Public Service Pensions Act 2013 (the Act) introduced a framework for the governance and administration of public service pension schemes, including those pension schemes for fire and rescue workers. The Act included the requirement for a Local Pension Board (LPB) to be established by each responsible Authority.
- 1.2 Following the abolition of the London Fire and Emergency Planning Authority and the establishment of the new governance structure, the London Fire Commissioner (LFC) approved the creation of a new Local Pension Board in 2018 in respect of the firefighter pension schemes, in accordance with the requirements of the Public Services Pensions Act 2013.
- 1.3 The purpose of the Board is to assist the LFC in its role as the Scheme Manager of the Firefighters' Pension Schemes: 1992, 2006 and 2015. Such assistance is to:
 - Secure compliance with the Schemes' regulations, any other legislation relating to the governance and administration of the Schemes, and requirements imposed by the Pensions Regulator in relation to the Schemes; and
 - Ensure the effective and efficient governance and administration of the Schemes.
- 1.4 The LFC is the Scheme Manager for the firefighters' pension schemes, which is a role defined by the Act. The management of some specific responsibilities for Stage 1 Internal Dispute Resolution Procedures (IDRP) and scheme discretions are delegated to the Assistant Director Finance and the Assistant Director People Services respectively, as set out in the Scheme of Governance. The management of the day-to-day responsibilities of the Scheme Manager are delegated to the Director of Corporate Services. This report serves to communicate to the LFC and the Deputy Mayor for Fire and Resilience the activities of the Board during the financial year 2024/25.

Responsible authority

- 1.5 The responsible authority is the government department responsible for the development of central policy and legislation that applies to the Firefighters Pension Scheme. During the development of the remedy legislation the responsible authority was the Home Office, from 1 April 2025 under the Mechanism of Governance, the responsible authority has moved to MHCLG.
- 1.6 References within this document to Home Office should be taken to mean MHCLG after 1 April 2025.

Constitution

- 1.7 A constitution for the Local Pension Board was approved by the LFC at the time that the Board was created and was reviewed and updated in 2019.

Format of meetings

- 1.8 The Board holds four meetings per year in line with The Pensions Regulator's guidance. All meetings during the 2024/2025 year were in person at LFB HQ and quorate.
- 1.9 Board members are required to declare any potential conflicts of interest to the Scheme Manager on appointment and at any such time as their circumstances change, in line with the Board's Conflicts of Interest Policy. No conflicts of interest were declared during the 2024/2025 year.
- 1.10 Board members are asked to inform the Scheme Manager of any reported breaches of the law.

1.11 Minutes are taken at all meetings.

Board membership

1.12 After accepting the recommendation from the TPR relationship supervision, the recruitment process for an independent board chair was successful and Clair Alcock was appointed to the board from 1 January 2024.

1.13 As set out in the constitution, there is an equal number of employer and employee representatives on the Board (4 of each), with nominated substitute members who can act as Board members in the absence of one of the full members.

1.14 The Chair of the Board is appointed independently for a 4-year term. Clair Alcock who was appointed as chair from 1 January 2024, steps down from the role at 30 June 2025 due to taking up employment in a conflicting position as Head of Pensions at LGA. A new chair has been appointed from 1 July 2025.

Training

1.15 The Pensions Regulator has published a Code of Practice for the governance and administration of public service pension schemes. This Code sets out the requirement for Board members to achieve and maintain knowledge and understanding sufficient to enable them to carry out the role of Board member.

1.16 While the implementation of remedy has been the boards main focus during 2024/25 there have been a number of opportunities for more formal training, these have been

- 15 May 2024, the board held a training session for all members of the board held at Hammersmith Fire Station, and attended by TPR to deliver training on the new general code, TPRs guidance on equality and diversity and pension dashboards.
- 18 September 2024, LPB training held by LGA in person.
- 18 September 2024, [LGA AGM Pension Board session](#). The chair of the London Fire Brigade local pension board delivered the 'Local Pension Board Experience' session on day one. This session shared how the LPB ensures through the board discussion and paperwork that they
 - Have the right data to understand progress
 - Build the right culture to ensure honest conversations about progress are held
 - Are building the right knowledge and skillset to ensure they
 - Have advance knowledge of the issues so there are no surprises.
 - Understand mitigation options

1.17 There have also been opportunities for informal training, during the board meetings the chair has offered a chair's update on new technical issues that have arose between meetings, as well as LGA organised online events during the year that the Board were invited to attend.

1.18 The chair of the board has also attended the Firefighters pension scheme pension board chair forum organised by LGA.

TPR Relationship Supervision – 2019 - 2024

1.19 Following the TPRs relationship supervision activity which started in 2019, TPR formerly closed this supervision by a letter to the London Fire Commissioner dated 22 January 2025.

2 Managing the Remedy

- 2.1 This section of the document looks at how the board have managed the implementation of the age discrimination, which has proved to be complex and challenging. The implementation of the remedy and the processes arising from it, is a significant extra burden on London Fire Brigade in its role as scheme manager.
- 2.2 These challenges as summarised in last years report can be categorised as:
 1. **Policy specific**, with complex challenges and policy which has been set by government not being specific for the Fire scheme.
 2. **Technically challenging** with a requirement to historically rectify actual pension records, requiring specific data that can only found through manual search tools.
 3. **Delayed**, much of the central tools needed by both the scheme managers and scheme administrators had to be delivered by central government, ie not within the gift of scheme managers and this has been delayed, such as a calculator to calculate contribution adjustments and interest, and specific guidance for how to deal with divorce (this remains outstanding).
 4. **Complex**, in some cases outcomes for individuals are on a case-by-case basis and differ depending on specific circumstances, this is particularly challenging for more vulnerable cases, such as Ill-health retirement or beneficiaries of Firefighters who have died.

The legislative requirements

- 2.3 The [legislation \[29\(10\)\]](#) required a remediable service statement (RSS) to be provided to all eligible members within 18 months from 1 October 2023.
- 2.4 All remedy affected eligible members are divided into two groups, these are: -
 - Deferred Choice members, these are members who do not have benefits in payment.
 - Immediate Choice members, these are members who have left service between 1 April 2015 and 30 September 2023 and have benefits in payment.

- 2.5 Both these groups require an RSS by the 'relevant date', which is set by section 29 paragraph 10 as;

31 March 2025 Or such later day as the scheme manager considers reasonable in all the circumstances in the case of a particular member or a particular class of member.

Board scrutiny and assurance

- 2.6 Despite recognizing these challenges, the boards scrutiny has been robust with a strong member emphasis. The board have sought continually to have visibility on progress which has been provided by their administrators in reports to the board, and to have sought confirmation of appropriate communications to members.
- 2.7 To that end members of the board and the administrators have taken part in webinars for members, both active, and those who have left.
- 2.8 At the boards meeting in March 2025, the board received an update from LPPA the scheme administrator, which confirmed that the progress expected was for 60 to 80% of statements to be completed by the deadline.

"John Crowhurst, Operations and Commercial Director LPPA, informed the Board the LPPA team was working round the clock to produce as many statements before 31 March 2025. LPPA expects to have issued up to 60 to 80 per cent of the statements by the deadline and

the Scheme Manager is being kept updated regularly. He added that the LPPA has written to

those members where they will not be receiving a statement by 31 March. The LPPA is in a good position in the context of the sector more widely, but the team continues to work hard

in the background to get to the best position possible by the end of 31 March."

- 2.9 The board has also sought to seek how the progress of London Fire Brigade sits in context with other Fire and Rescue Authorities and has been pleased to see the progress is good compared to other scheme managers. Nevertheless, the board recognise that this will be of little comfort to those members that unfortunately did not receive a statement by the deadline.
- 2.10 The boards' role is to assist the scheme manager in the compliance of the regulations. This has been through seeking assurance at the board meetings with attendance from the administrator and the scheme manager as noted in the minutes and by providing reassurance in quarterly verbal reports to the London Fire Commissioner at the quarterly commissioner boards.

Challenges outstanding

- 2.11 Nevertheless, despite progress, on 1 April 2025, there are a number of challenges outstanding that the scheme manager, and the local pension board in their role of providing assistance, would need to consider, these are

1. Contribution interest on outstanding RSSs
2. Contingent decisions
3. Compensation decisions

Contribution Interest on Outstanding RSSs

Accrued Interest: Interest continues to accrue on contributions after the relevant date.

Waiver Powers: Scheme managers (e.g., London Fire Commissioner) have limited powers under [regulation 63](#) to waive liabilities under [Direction 4](#), only on a case-by-case basis and where it would be uneconomic to pursue.

Fairness: Charging interest ensures fairness between protected and unprotected members. HMT has emphasised the importance of accounting for the time value of money.

Compensation: Members may claim compensation if they can prove financial loss due to not being able to pay by 31 March 2025, provided they had the funds available and did not benefit from higher interest elsewhere.

Contingent decisions

- 2.12 A 'contingent decision' is an anecdotal term for areas in the legislation where specific rights have been given to overturn a decision made due to remedy. Those specific rights are listed below there are only 2 limited definitions of contingent decisions.

- Opt-outs - [The Firefighters' Pensions \(Remediable Service\) Regulations 2023](#)
- Added service - [The Firefighters' Pensions \(Remediable Service\) Regulations 2023](#)

2.13 Key issues for scheme managers that remain with regards contingent decisions are

1992 Opt-Out Members:

- Policy intent was to restore members to their original position.
- Post-2006, members could only rejoin the 2006 scheme.
- Due to legislative drafting of the act [sections [4](#) and [5](#) respectively], most 1992 members cannot rejoin the 1992 scheme even if their decision was due to the discrimination, this is despite the policy intent.

[Section 5](#) allows an election to be made to treat relevant opted-out service as pensionable under the **relevant** chapter 1 legacy scheme.

[Section 4](#) sets out what is a relevant chapter 1 legacy scheme.

- In August 2024, LGA advised pausing decisions for 1992 members to avoid unintended tax consequences.
- Progress has been slow; scheme managers may need to lift the pause and use compensation to address financial losses.

Non-Contingent Scenarios:

- Leaving employment or not buying service after unpaid leave are not contingent decisions.

Scheme Manager Discretion:

- Decisions must be linked to the 2015 discrimination and made without knowledge of future remedy.
- Key dates:
 - 15 July 2019: Government confirmed remedy would apply to all affected members.
 - 25 March 2020: Treasury confirmed no need for individual claims.
- Decision-makers must assess evidence and may interpret cases inconsistently.

Compensation

2.14 The legislation implementing the remedy includes a compensation scheme allowing members to claim for both direct and indirect financial losses, including Part 4 tax losses.

2.15 The LGA issued compensation guidance for scheme managers in May 2024, alongside Home Office funding guidance. London Fire can refer to this guidance.

2.16 Despite this, two key issues remain:

No defined end date for claims

2.17 There is no end date for compensation claims to be made, some claims, such as those related to new or increased pension tax charges, may arise quickly. Others depend on when

members make their Section 6 or Section 10 elections.

Immediate Choice (Section 6):

Under [PSPJOA 2022](#), members must make their choice within 12 months of receiving the RSS. [Tax regulations](#) require a remediable PSS to be issued within 6 months of this election. As a result, some members may not use HMRC's digital service to claim or file returns for up to 18 months.

Deferred Choice (Section 10):

For active or deferred members, many claims won't arise until retirement, when they make their Section 10 election and settle contribution adjustments. This could be 10–20 years in the future.

Practical challenges in processing claims

2.18 London Fire may face several practical challenges, and the board should be ready to consider that:

- There is no cap on compensation claims for financial advice.
- Each of the 43 scheme managers must assess and approve claims individually.
- Verifying claims, especially those involving historic tax relief changes, can be complex.

3. Additional board activity

3.1 Other areas which have been discussed at Board meetings include:

- Value of the pension scheme and members opting out.
- Communications
- Breaches of the law
- Pensions data
- Risk register
- Fire pension administration – both performance and future work plans

4. Future workplan

4.1 The board are continuing to develop the workplan for 2025/2026, the significant challenge is expected to be.

- Finalising remedy and ensuring the relevant processes around contribution adjustments and compensation are robust enough to survive 10+ years into the future.
- The implementation of pension dashboards, which will share hallmarks of the challenge of remedy with regards to accurate data and responding to member engagement and demand.

5. Objectives and expected outcomes

5.1 That the Board note this report

6. Equality comments

6.1 The LFC and the Deputy Mayor for Fire and Resilience are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

6.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.

6.3 The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.

6.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:

- eliminate discrimination, harassment and victimisation and other prohibited conduct.
- advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
- foster good relations between people who share a relevant protected characteristic and persons who do not share it.

6.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic.
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

6.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

6.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- tackle prejudice
- promote understanding.

6.8 An Equality Impact Assessment (EIA) found outline neutral impacts identified and steps taken

to mitigate these.

7. Other considerations

Workforce comments

7.1 Staff side are represented on the Local Pension Board and so will have an opportunity to comment on this report at the LPB meeting on 12 June 2025.

Sustainability comments

7.2 This report does not produce any environmental or sustainability implications.

Procurement comments

7.3 There are no procurement implications for this report.

Communications comments

7.4 There are no communication implications for this report.

8. Financial comments

8.1 The cost to LFC of the Independent Chair for 2024/2025 was £15,000

8.2 The training of Board members is largely carried out in house at no direct cost, and national events such as the LGA conference have been free of charge so far as part of the LFC's subscription to the LGA. If Board members must travel to attend training events this cost is contained within existing budgets.

8.3 The LFC continues to pay a levy to the Scheme Advisory Board (SAB) and this will cover the cost of the national fire pensions technical advisor posts and support the work of the SAB. The aim of the SAB in setting this levy is to help fire authorities to achieve cost savings by producing guidance and communications centrally for authorities to share. The cost to LFC in 2024/25 is £49,418.39, and this has been provided for within the revenue budget.

9. Legal comments

9.1 This report sets out the Annual Report covering the activities of the LFC's Firefighters Pension Schemes Local Pension Board (the Board) for the year to 31 March 2025 is for information only, therefore no direct legal implications arise.

9.2 The Local Pension Board was established under the Firefighters Pension Scheme (Amendment) (Governance) Regulations 2015. The Public Service Pensions Act 2013 introduces the framework for the governance and administration of public service schemes and provides an extended regulatory oversight by the Pension Regulator.

9.3 The Pension Regulator's Code of Practice No. 14 (Governance and administration of public service pension schemes) was replaced by the new [General code of practice](#) established by [SI 2024/431](#) sets out the legal requirements for public service pension schemes as well as the standards of conduct and practice of the Local Pension Board. The information within this report is in accordance with the legislation and associated Code of Practice.

Part two confidentiality

Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part Two form, together with the legal rationale for non-publication.

Is there a Part Two form: YES/NO*

Originating officer declaration

Reporting officer to confirm the following by using 'X' in the box:

Reporting officer

Clair Alcock has drafted this report and confirms the following:

1. Assistant Director/Head of Service Adrian Bloomfield has reviewed the documentation and is satisfied for it to be referred to the Board for consideration	
2. Advice The Finance and Legal teams have commented on this proposal: Yvette McEntee Legal Advisor, on behalf of General Counsel (Head of Law and Monitoring Officer). Adrian Bloomfield Financial Advisor, on behalf of the Chief Finance Officer.	