



LONDON FIRE BRIGADE

MINUTES

LOCAL PENSION BOARD

DATE	Tuesday, 25 March 2025	TIME	2.00 pm
VENUE	CMT - 3rd Floor, 169 Union Street, London SE1 0LL		

Minutes of the proceedings of the meeting of Local Pension Board held CMT - 3rd Floor, 169 Union Street, London SE1 0LL on Tuesday, 25 March 2025

Present:

Clair Alcock, Independent Member
Nick Davis, Deputy Assistant Commissioner, Learning and Professional Development
Keeley Foster, Assistant Commissioner, Learning and Professional Development
Daniel Kipling, Deputy Assistant Commissioner, Learning and Professional Development
Gareth Beeton, Regional Chair, FBU
Jon Lambe, Regional Secretary, FBU
Adam Shaw, Regional Treasurer, FBU
David Shek, Executive Committee member, FBU

In Attendance:

Adrian Bloomfield, Assistant Director, Finance
John Crowhurst, Operations and Commercial Director, LPPA
Louise Martin, HR Services Manager
Penny Mitchell, Head of Internal Communications
Rory Murphy, Finance Administration Manager
Yvette McEntee, Solicitor, Employment and Litigation
Ozu Okere, Governance Manager

1. Apologies

Apologies for absence were received from Frazer Ferguson, Deputy Assistant Commissioner (Employer side); Tom Goodall, Assistant Commissioner, Programme Director (Employer side); and Pat Goulbourne, Assistant Commissioner, Operational Resilience and Control (Employer side).

2. Declarations of Interest/ Breaches of the Law

There were no declarations of interest or breaches of the law declared.

3. Minutes and Actions arising

The minutes of the meeting held on 12 December 2024 were approved.

The actions log was updated and detailed information provided by the Chair on two outstanding actions arising from 12 December 2024:

(i) The Chair to provide wording for the LFB communication team to send to members on the legal position on contingent decisions – The Chair informed the Board that contingent

decisions arises where members of the firefighters pension fund who opted out of the 1992 scheme apply for contingent decision to be allowed back under the remedy scheme on the basis that if the discrimination did not exist, they would not have opted out. However, a pause has been put on contingent decisions because the Regulation as it currently stands will not put a member back into the 1992 scheme but would instead move the affected members into the 2006 scheme which would have a detrimental impact on such members. The Home Office recently confirmed the Regulation could be read to put members back into the 1992 scheme only where members who opted out after 1 April 2015 did not opt back in during the remedy period, so did not opt back in until after 31 March 2022. Only in that instance will the Regulation be read to move those members back into the 1992 scheme. The Home Office is currently seeking King's Counsel advice to rectify the problem as the issue with the Regulation happened in the primary legislation, not the secondary legislation, which is the responsibility of Her Majesty's Treasury (HMT).

The Chair confirmed that there is no clear communication on this current position for members either on Fire Pension Scheme (FPS) website or nationally. As such, she would either write up the position for members or ask the Local Government Association (LGA) to update their website so there is a clear direction to members about contingent decisions and enable Scheme Managers to communicate the position to their members.

Discussion ensued and the Chair confirmed that the Home Office is putting pressure on HMT to make the necessary amendment to the primary legislation. The Assistant Director, Finance added that the Brigade can still make the decision on whether to accept the contingent decision challenges, but clarifying the regulations would delay its implementation.

(ii) The Chair to circulate information about the remedy compensation mechanism – The Chair confirmed that a members' compensation guide is available on the FPS member website which she will circulate after the meeting. The compensation refers to members who are entitled to compensation for financial loss incurred because of remedy. They would have to prove the financial loss would not have happened had not been for remedy. The Chair then explained how such a loss could occur and confirmed that the primary legislation allows members to make this claim. There is guidance for members on the compensation mechanism including a claims form on the FPS member website and on the internal intranet for firefighters to make a claim.

The employee representatives then sought clarification on queries received from members where their pension data does not reflect payment made to buy back strike days. The Director for Corporate Services agreed that this would need to be rectified. The Chair added that the Local Pension Board would review the data reconciliation process to ensure it is fit for purpose, specifically in relation to strike days, as well as the information the Scheme Manager hands over to LPPA, the Scheme Administrator.

[Post-meeting – the guide was circulated to members on 7 April 2025]

The actions log was noted.

4. Membership

The Chair noted that on the employer side, the selection of members to the Board had been widened to include Group Commanders following amendment to the terms of reference at Commissioners Board on 8 January 2025. There followed discussion about vacancies on the employer side of the Board and whether to remove members who have not been able to attend meetings in the past year to ensure the Board is quorate for meetings. It was agreed

that the Assistant Commissioner, Learning and Professional Development, working with the Deputy Commissioner and Operational Director of Prevention, Protection and Operational Assurance, will send out an email for people to express their interest to join the Board.

On a separate but related matter, it was noted that Frazer Ferguson (employer side) had asked to step down as a substitute member but remain on the Board as the Prospect union representative. There followed discussion and it was noted that under the LPB terms of reference Prospect can nominate a representative, although not as a member of the Board, to be an observer with speaking rights at LPB meetings.

The Chair noted that the employee side had now nominated Carl Smith as a substitute member, but vacancies still existed following the retirement of Clive Robinson. As such, she asked both the employer and employee side to ensure that they have nominated members to fill each of their existing vacancies before the next meeting in June.

5. Chair's Update

The Chair presented the following update:

(i) Resignation as Chair – The Chair informed the Board of her resignation as Chair following her recent appointment as Head of Pensions at LGA. As this will give her oversight of the LGA fire pension it would represent a conflict of interest in her current role as chair of LFB. She will stay on till the June meeting and to allow for a smooth handover to the new Chair. The Director for Corporate Services, on behalf of the Board, thanked the Chair for her work on the Board over the year and for the invaluable knowledge and expertise she brought to the Board especially on all remedy related matters. He informed the Board that the recruitment process for the new Chair will commence shortly.

(ii) Technical Updates – Challenges facing Scheme Managers and Administrators regarding remedy and the actions taken.

Offsetting Process – This is the process in place for immediate choice members who have retired. In 2024, it was discovered that the HMRC legislation did not account for members who had already retired and had paid an unauthorised amount but were now due a lump sum under the remedy scheme which was also unauthorised. It would mean the moneys being taxed again disregarding the fact that the member had already paid a tax charge. So, HMRC issued guidance in September 2024 on changes that would be made to the legislation to account for this but the guidance did not set out a methodology which Scheme Managers and Administrators could use to achieve consistency. As such, the Home Office commissioned the Government Actuary's Department (GAD) to work with scheme administrators to develop a consistent methodology. LPPA has been part of the administrators providing real life examples to GAD who have now arrived at a methodology which Administrators can follow. The Chair added that these type of processes take time but it had taken only six months in this case which was very good. She noted this would lead to some late statements going out as these calculations take a bit longer.

Calculations – The other main challenge is in calculating pensions due to members. Remedy rolled everyone back into the remedy scheme. So, Scheme Administrators have had to recalculate everybody's pension records as if they had been in the legacy scheme for the legacy period which has led to the delay. However, there have been issues for members who have transferred in from another scheme or are divorced where GAD guidance is required to make the calculation. However, GAD had no guidance as it also had to consider the contribution adjustment issues so sought King's Counsel advice to create its own guidance. This has resulted in two sets of guidance being made available namely, the Prospective

Divorce Guidance which was issued on 24 March 2025 and deals with divorces after 1st October 2023 but has only limited application to Immediate Choice Remediable Service Statements (IC-RSS) because it is for scheme members who retired before 1st October 2023. The Retrospective Divorce Guidance was released as a draft on 23 March 2025 and comments from Scheme Managers have been sought after which it would be finalised.

The employee side informed the Board that they have received a number of enquiries from members about delays to their pension statements (IC-RSS) which do not fall under the reasons outlined in the delay letter they received. These scheme members have therefore concluded that the delay is because the Brigade had not shared relevant data with the Scheme Administrator. Following discussion, John Crowhurst, Operations and Commercial Director LPPA, informed the Board that LPPA will consider giving the Brigade information upfront on the different criteria members might fall under and where this may cause a delay so, that the Brigade can provide members with enough information for them to be able to make an informed decision on whether it is the right time for them to retire.

In response to a question about timescales, the Chair confirmed that GAD can now provide the requisite calculations for any members thinking of retiring. Whilst noting that final GAD guidance is still awaited, another important issue is about the communication in place for members, and processes in place between the Brigade and LPPA to enable those retirements to happen as smoothly as possible. The Chair added that as part of its role the Board would seek assurance that processes have been put in place which allows the Scheme Manager and Administrator to work well together.

The Local Pension Board noted the update.

6. Remedy Related Processes

The Chair spoke about 'business-as-usual' remedy issues which is about ensuring that there are right processes in place to deal with members making contingent decisions, compensation and contribution adjustments. For example, a member who pays pension contributions could trigger a request for compensation which can occur at any point in the member's life as there is no end date to compensation. As such, the Board must assure itself that the processes in place to deal with such issues are fit for purpose.

The Assistant Director, Finance informed the Board that the LFB, as Scheme Manager, has two processes in place in relation to contribution adjustments, following the production of the Annual Benefit Statement – Remediable Service Statement (ABS-RSS). The first is in relation to where the member has outstanding contributions to make under the 1992 Fire Pension Scheme (FPS); and the second is where contribution refund is due to a member under the FPS 2006 scheme. He set out in detail how both processes work and highlighted that where a member has contributions to pay, the LFB now sends out receipts for payments received. In response to a query from the HR Services Manager about members who had narrowly missed the deadline of 4 March 2025 by which to make payment, the Assistant Director, Finance confirmed that the LFB would consider what discretion on this was available. However, he advised that the next round of ABS-RSS should contain the cut-off date by which members must return their form to LPPA and a date by which the LFB will in turn request payment from members. The Board noted that where a contribution payment is due under the 1992 scheme, there is only a three-month window in which to make the payment on receipt of the ABS-RSS. The Assistant Director, Finance added that quite a number of members are exercising the right to action their contribution adjustments and as at March, 368 members have had a contribution refund whilst 176 members had paid the additional contribution under the 1992 scheme.

There followed discussion and members raised concerns that the processes, as outlined, were not as clear as they could be. The Assistant Commissioner, Learning and Professional added that the use of flow charts and a checklist for members would provide better clarity. The Chair acknowledged that the processes put in place by the LFB were compliant with the legislation.

In response to concerns raised by members about conflicting figures on the ABS-RSSs, the Chair clarified that this was due to the treatment of tax relief and stressed that this was a temporary fix for the current year and going forward the statements would show the tax relief and contain only a single set of figures for the contribution adjustment. The Chair added that despite information available on national websites about contribution adjustments there was a wider issue around whether there was effective communication to assist members understand the issue. She noted that at the last LFB briefing session for members there were still a lot of questions on contributions, so she sought assurance that there were other ways of helping members understand the processes. In response, the Assistant Director, Finance said that following on from that session the Brigade was reviewing the frequently asked questions and will create one around tax relief on ABS-RSS. On the issue of scheme members understanding the process, he agreed that a flow chart setting out the processes could help members and would be considered. As regards when members, who want to better plan for their retirement, would be able to access an online calculator, John Crowhurst, Operations and Commercial Director LPPA confirmed that there is currently no timeline, but LPPA was in discussion with Civica, their software provider. He added that he would also check with Civica whether the Brigade would require a system update before it could start to make the calculations under the GAD guidelines for divorced members.

The Local Pension Board noted the item.

7. Local Pension Partnership Update

The Chair sought an update on whether the Brigade would meet the regulatory deadline for the issue of remediable service statements (RSS) by 31 March 2025 for members in scope. This is contained in regulation 29 of the Public Service Pensions and Judicial Offices Act 2022 (PSPJOA), and the RSS sets out the alternative pension benefits that a member is entitled to for the remedy period. She informed the Board that most public sector schemes are having similar issues with software and processes and are using section 29 to extend the deadline date and have written to their members that they might not receive a statement for about 6 to 9 months. In some cases, s.29 (10) (b) is used which allows the Scheme Manager extend the relevant date across whole groups of members. The fire scheme, in contrast, appears to be performing better than other public sector schemes.

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.

The Chair also sought clarification about processes in place to assist beneficiaries, ill health members and those classified as vulnerable, to help understand what their choices are on receipt of the statements. In response, John Crowhurst, Operations and Commercial Director LPPA, said he would take away the concerns and explore available options. The Assistant

Director, Finance confirmed that further briefing sessions are being planned for pensioner members and the Board asked that these now be broadened to include not only retired members but also ill health members and beneficiaries.

The Chair then sought an update on the timescale and challenges the Scheme Manager may be experiencing with provision of data to LPPA. In response, the Assistant Director, Finance confirmed that the Brigade was still working through about 500 individual complex cases. As such, he was unable to confirm a date by which the work will be completed. The Chair noted that this was the type condition where Scheme Managers would be expected to use s.29 to extend the deadline for sending out statements. Section 29 (10) (b) allows Scheme Managers to extend the relevant date in certain scenarios where it is reasonable to do so for a particular member or classes of members. Guidance issued on what is a reasonable case of members includes cases where Scheme Administrators do not have statutory guidance with which to do that calculation. The Chair added that extending the statutory date by using s.29 is not a breach but it is important that there is paperwork to show the Scheme Manager had the relevant data to make the decision to extend the deadline.

The Chair informed the Board that breaches/material breaches and the recording of breaches would be considered at the June meeting of the Local Pension Board. She added that it is the responsibility of the Scheme Manager to determine whether there has been a material breach and should be reported to the Pension Regulator. All breaches of the law must be recorded but only reported if material. As such, the Scheme Manager must capture those members who did not get a statement, what was a breach and then assess whether it was material.

John Crowhurst, Operations and Commercial Director LPPA went on to inform the Board that the format of the performance report will change so, the actual Service Level Agreement forms can be seen for those members that come under the remedy scheme. Following a request by the Chair, he also agreed that the update report for the June meeting would contain statistics on statements sent to members retiring who do not fall under the remedy scheme.

The Local Pension Board noted the report.

8. LPB-077 Firefighters' Local Pension Board - Provision of Information

The HR Services Manager introduced the report highlighting the key points as set out in the report. This included an overall trend of an increase in the number of staff in the pension scheme although there had been a slight reduction in the number of women and staff from underrepresented ethnic groups joining the scheme.

There followed discussion and members from the employee side stressed that it was important the Brigade did more to highlight the benefits of joining the pension scheme not only for the member but also for their family should they get injured at work. The Director for Corporate Services confirmed that the next auto-enrolment into the pension scheme would happen in September. He agreed to work with the communications team to ensure a clear explanation of the benefit of joining the scheme forms part of the communication leading up to auto enrolment.

In response to a query on whether there was a correlation between the ages of those members not in the pension scheme and the reduction in the numbers of women and those from underrepresented ethnic groups, the HR Services Manager agreed to take it away for consideration.

The Local Pension Board noted the report.

9. LPB-078 Firefighters' Local Pension Board - Update Report

The Finance Administration Manager presented the report which gave an overview and update on the position relating to a number of current issues affecting firefighter pensions. He highlighted especially that the implementation deadline on the Matthews case (which addressed the issue of retained firefighters being treated less favourably than whole-time firefighters regarding pension rights) has been extended by another 12 months to March 2026. The Chair sought clarification on what processes the Scheme Manager and Administrator had in place to identify retained firefighters within the LFB or communicate with them to self-identify themselves. She added that due diligence on the part of the Brigade would require that it sends out communication to all LFB firefighters asking if they have ever been retained firefighters. As this had not been done, the Board agreed that the communication team should ensure that members are made aware that there is an onus on them to self-identify.

The Finance Administration Manager also highlighted that work is in progress to implement a pension dashboard with the Scheme Manager being kept updated on progress by LPPA. The Chair informed the Board that all pension schemes must stage onto the pension dashboard by 31 October 2025 and the connection date for members is 31 October 2026. Once members connect to the dashboard it is expected that there is going to be huge demand for engagement, but the dashboard is not interactive and would only show value data which will be taken from the last annual remedy statement. As such, there ought to be a workplan in place to work through between 2025/26 on how to combine the dashboard with a source of pension modelling tool to ensure the Board is prepared for the level of engagement expected after 2026.

The Chair confirmed she had attended the Scheme Advisory Board Chairs' Forum in February. The focus was on how much information/data was available to Local Pension Boards to provide them with the assurance required that progress was being made on pension remedy.

After discussion, the Board noted the report.

10. Board Working Group Updates

The item was deferred to the next meeting.

11. Training

This item was deferred to the next meeting.

12. Any Other Business

The Chair informed the Board that two items had come in to be considered under any other business around ABS-RSS and the date the retirement figures are projected for; and whether there was a way for pension members to be able to project and plan for the future. The Chair confirmed that legally the purpose of the ABS-RSS is to provide the retirement date which for the 2015 scheme is the age of 60. As such, it is not a retirement planning document and there are no plans to change this. However, she acknowledged it was important that members are able to access a retirement modelling tool which the pension dashboard would

facilitate. The Board noted that Scotland and Wales already have calculators in place for their members. The Chair asked how the Pension Board could help with the conversation LPPA was having with its software supplier regarding producing that functionality. In response, John Crowhurst, Operations and Commercial Director LPPA, informed the Board that LPPA will meet with Civica, its software supplier, to obtain a timeline for when the calculator will be ready for roll out. The Chair added that once the timeframe is known the Board will then write to the Scheme Advisors Board or Local Government Association, if the timeframe turns out to be too far away, to ask if there is national desire to create a modelling tool to fill in the gap.

The Board noted that matters raised on Yammer around contingent decisions were dealt with by the Board under item 3 (Minutes and Actions Arising) where the Chair had given a comprehensive update.

13. Date of Next Meeting

The next meeting of the Board was scheduled for 12 June 2025.

The meeting ended at 16:13

Ozu Okere, Governance Manager
Clerk to Local Pension Board