

**MEETING :** LOCAL PENSION BOARD (LPB)

**DATE :** 15 February 2022

**VENUE :** Teams

**PRESENT:** Steve Beaton (Chair), Stuart Smith, Michaela Moore, Ann Read, John Tyrell, Rob Allport, Tracey Stradling, Helen Scargill (WYPF), Caz Lee (Notes)

Ref	Item	Decision/Outcome	Action By
1.	<b>Apologies</b>  None on this occasion.		
2.	<u>Training Session from WYPF</u>  Helen provided verbal overview of presentation regarding Tax and FF Pension Schemes, providing an overview of information LPB members might not be aware of.  Lump Sums: <ul style="list-style-type: none"><li>• Where the commutation factor is greater than 20, a tax charge is payable;</li><li>• 1992 Scheme maximum lump sum is greater than the HMRC tax free limit.</li></ul> HMRC say members can only have 23% of capital value as tax free lump sum, Helen took group through couple of examples and explained how pension benefit would be worked out. End of the day this is down to personal choice, but members would need to remember if take tax free lump sum, the pension is taxed i.e. will pay more tax so won't get as much in pocket as might think. John queried if a members has two pension pots under different schemes would	Helen will send slides through to LPB Members.	<b>Helen</b>

this be combined or dealt with separately? Helen confirmed this would be separately.

Lifetime Allowance:

- Standard Lifetime Allowance from April 2020 is now £1,073,100, Talked through Lifetime Allowance calculation, checking total of pension against standard allowance. Likely to only affect management level, doesn't generally impact on AC's. Valuing the pension and comparing it to upper limit. This is covered in the pre-retirement courses as members need to be aware of if, as if someone leaves and takes up another job, this would be included in this total Lifetime Allowance.

Annual Allowance:

- From April 2011 capital value of pension benefits could only increase by £50k. This was reduced to £40k in April 2014;
- Breaches result in additional tax charges;
- There is a 3 year carry forward of unused allowance which provides some protection;
- Certain promotions may be affected by this e.g. AC to ACFO and WC with no allowances to SC on flexi duty likely to result in annual allowance breach. Helen has some old calculations will send these to LPB members for info.

Tax breach charges in most instances is 40%, this can be paid up front to HMRC by scheme member or can use Scheme Pays scheme (where the Service pay the charge and amount is taken from pension benefits). Helen highlighted she hasn't seen any case where the pension benefit was lower as a result of a promotion, may end up being less but unlikely to make promotion not worthwhile. Can provide more in depth training/presentation on this if required.

	<p>Re-Employment Tax Charge:</p> <ul style="list-style-type: none"> <li>• Retired before age 55;</li> <li>• Re-employed by any FA in either a uniform or civilian role;</li> <li>• HMRC tax charge if re-employment rules not followed. This is because conditions to allow a Protected Pension Age of 50 within FPS have been breached;</li> <li>• Break of at least one month and pension may be abated (FPS regulations allows for abatement);</li> <li>• Also applies if has a OC role run concurrently and don't leave this at the same time. Would be 55% on lump sum and 55% on any pension receiving from 55. There is an LGA leaflet on this on the website with more information.</li> </ul> <p>Stuart asked if we send out a retirement pack to those members looking to retire, especially for those on dual contracts? Steve confirmed he/Payroll speak to them and liaise with WYPF to get the correct info but don't provide anything specific. Steve advised there are some pre-retirement courses coming up that were arranged by recruitment (6th April) and is also looking to add some of this info onto the FAQ section of the new intranet once created. Michaela confirmed wouldn't let anyone retire under the age of 55, without being made aware especially if they are OC. Steve suggested it's important for WYPF to attend and have a slot on pre-retirement courses to go through this. Will liaise with Recruitment and send dates through to Helen to ensure going forward, WYPF always have a slot.</p> <p>Steve thanked Helen for presentation; asked everyone to have a think for next board about anything would be beneficial for Helen to provide an overview of at next meeting.</p>	<p>Steve to liaise with Recruitment &amp; request WYPF are invited to pre-retirement courses for a slot.</p> <p>LPB Members to have a think about what would like Helen to provide updates/training/feedback on at future sessions and send to Steve/Caz via email.</p>	<p><b>Steve</b></p> <p><b>All</b></p>
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3.	<p><b>Agree notes of last meeting held on 03/11/21</b></p> <p>Notes were reviewed and agreed as a true record.</p>	Caz to publish and add to internet page.	Done 15.02.22
	<b>Updates on Actions Arising</b>		
3.1	<p><u>Dates of the next meetings to be shared with Helen to confirm which she could attend to have a 15 min training slot (e.g. annual allowance).</u></p>	Action complete.	
3.2	<p><u>Steve to liaise with M&amp;C re updating intranet page on Pensions (under Payroll area) if MoU agreed at FA Meeting.</u></p> <p>Steve confirmed the MOU was agreed by Fire Authority. Subsequently met with M&amp;C. Service is in the process of decommissioning current intranet and moving onto SharePoint - have agreed will meet with them in next 2-3 weeks to build a SharePoint section for Pensions under Payroll.</p>	Ongoing.	<b>Steve</b>
3.3	<p><u>Steve to produce a list of secondary contracts for next meeting; get details from HoGs. .</u></p>	Ongoing.	
3.4	<p><u>Stuart to confirm completion of modules to Caz/Tracey to update the log.</u></p> <p>Done some of them, will send details of which ones to Caz to update the training log.</p>	Ongoing	<b>Stuart</b>

3.5	<u>Steve to update the risk register with agreement amendments.</u>	Action complete.	
3.6	<u>John will draft End of Year report from the last template and send to Steve.</u>  Will send by the end of this week.	Ongoing	<b>John</b>
4.	<b>Declarations of Interest</b>  None on this occasion.		
5.	<b>Feedback from Training</b>  None on this occasion.		
6.	<b>Regional Pensions Group Update</b>  No update - hasn't been a meeting since last LPB.		
7.	<b>Review of Risk Register</b>  <a href="#">Risk Register SharePoint Link</a>  Board reviewed the risk register, Steve has made amendments agreed at the last meeting and added a new risk (number 11), 'Approval of MOU re Remedy and potential workload and strict deadlines not being able to be achieved' currently scored as 25 (very high) due to ongoing issue of no guidance and potential impact on workloads. Home Office withdrew their guidance regarding the		

	<p>remedy in December 2021 and adoption of the MOU is on hold as per Government advice. We're now awaiting updates from Government, HMRC and LGA as to next steps and currently paying Split pensions as prior to MOU. Recently received an FPS 2015 Pension Remedy fact checker developed by Barnett Waddingham, in collaboration with the Scheme Advisory Board, the Board secretariat, and the Scheme Management &amp; Administration committee which was circulated to all staff via email and shared on Yammer.</p> <p>Steve advised he has had a few questions regarding this recently and has been up front. Appreciate for people coming up to retirement, finding it extremely frustrating, CFRS and WYPF also finding it frustrating but stuck in limbo at the moment awaiting more from HMRC and LGA. Steve advised ff get any questions as LPB members, the response is that this has been put on hold to protect the Service and members as don't want them to end up with massive tax bills down the line.</p>	Steve to forward FPS 2015 Pension Remedy Update to Helen and Rob	Done 15.02.22
8.	<p><b>Review of Issues Log</b></p> <p>See 'Issues Log' tab for updates.</p>		
9.	<p><b>Recent Case Law Affecting Pension Scheme</b></p> <p>Helen suggested Steve review recent pension Ombudsman decision regarding abatement on reemployment. Communications suggested all FRA's need to review and consider whether there is anything that needs revising as a result.</p>	Steve will review and see if any amendments required to CFRS Policy.	<b>Steve</b>

10.	<a href="#"><u>Review of Terms of Reference</u></a>  Steve has reviewed ToR and is happy no amendments necessary. Asked members to review (if not done already) and send any suggested amendments to him/Caz for consideration.	ToR reviewed & updated on CFRS website.	
11.	<b>Review of Skills Gap on LPB (see training tab)</b>  Not covered.		
12.	<a href="#"><u>Review of Conflicts of Interest Register</u></a>  No conflicts to review.		
13.	<b>Review of Upcoming Annual Agenda Calendar (see tab)</b>  Reviewed, no amendments necessary.		
14.	<b>TPR Scheme Return</b>  Done by WYPF.	Complete.	
15.	<b>Data Score</b>  Steve will bring Data Score from Annual Return to next board. Helen offered to bring up to date Data Scores to meetings, Caz to send a reminder with agenda item request two weeks before each meeting.		

16.	<b>Annual reminder to check if TC have notified Payroll of Annual 5% Additional Payment Review</b>  Michela confirmed received.	Complete.	
17.	<b>Any Other Business</b>  Helen suggested adding review of LGA bulletins and WYPF monthly update reports to the standing agenda items to ensure it is recorded board are considering and actioning these as appropriate.	Caz to add Review of recent LGA Bulletins and WYPF monthly updates as standing agenda item and send out recent LGA bulletins.	Done 15.02.22
	<b>Date of Next Meeting</b>  24 May 2022		