



## Minutes of the meeting of the Local Pension Board held on 23 January 2024 via Zoom

### PRESENT

#### Employer Representatives:

Cllr John Brynmor Hughes

Cllr Gwynfor Owen

Dafydd Edwards, Treasurer

Gareth Owens, Clerk to the Authority and Monitoring Officer

#### Employee Representatives:

Matt Ryan, Fire Brigades Union

Paul Kay, Fire Officers Association

Geraint Evans, RDS representative

#### Advisors

Helen MacArthur, Assistant Chief Fire Officer

Beccy Marfleet, Pensions Officer

Martin Morgan, Dyfed Pension Fund

#### Minute Taker

Lisa Allington, Executive Assistant

### 1 APOLOGIES

- 1.1 Apologies were offered and accepted for ACFO Millington, Cllr Bryan Apsley and Terry Ledden, who was taking Stuart Stanley's place on the Local Pension Board (LPB).

### 2 DECLARATIONS OF INTEREST

- 2.1 There were no declarations of interest to record.

### 3 MINUTES OF THE LAST MEETING

- 3.1 The minutes of the meeting held on 24 October 2023 were approved as a true and accurate record.

### 4 TERMS OF REFERENCE – FOR REVIEW

- 4.1 ACFO MacArthur presented the proposed Terms of Reference for the 2024/25 financial year to Members.



- 4.2 It was noted that the only change of significance was the increase in Membership numbers and the associated quorum. These changes were being made to try to ensure that meetings could still proceed in the event that those colleagues with operational responsibilities and who have to attend council meetings were unable to attend.
- 4.3 A Member asked if increasing the membership with people who were not experienced in pensions might pose a risk to the organisation. ACFO MacArthur responded that completion of the pensions regulators toolkit modules should give Members sufficient knowledge to be able to fulfil their role.
- 4.4 **RESOLVED TO:**
- i) Note the scope and requirements of the Terms of Reference of the LPB; and**
  - ii) Endorse the Terms of Reference for approval by the Fire and Rescue Authority in its capacity of Scheme Manager.**

## **5 MEMBERSHIP, CHAIR AND MEETING DATES FOR 2024/2025**

- 5.1 ACFO MacArthur presented a paper to Members which confirmed the current membership arrangements for the LPB of North Wales Fire and Rescue Authority's (the Authority) Firefighters' Pension Scheme, to appoint the Chair for the 2024/25 financial year and to confirm the meeting dates for 2024/25.
- 5.2 It was noted that the proposed date of 4 April 2024 fell in Easter week and it was suggested that this be pushed back to 11 April 2024. Equally, the date of 4 July 2024 was to be pushed back to 11 July 2024.
- 5.3 It was noted that a Chair needed appointing for the 2024/25 financial year and as the previous Chair had been from the Employee side, this Chair would need to be from the Employer side. Members were asked to consider this outside of the meeting with a view to appointing at the next meeting in April.
- 5.4 **RESOLVED TO:**
- i) Note the current membership of the Local Pension Board;**
  - ii) Note the requirement for six members to be present at each meeting to be quorate;**
  - iii) Appoint a Chair of the Local Pension Board for the 2024/25 financial year; and**
  - iv) Note the proposed meeting dates for the 2024/25 financial year, with the above date amendments in mind.**



## 6 GAD VALUATION UPDATE

- 6.1 ACFO MacArthur presented the GAD valuation paper to Members which confirmed the current position on the revaluation of the Firefighters' Pension Scheme in Wales and the associated financial implications for employer costs.
- 6.2 It was noted that the anticipated increases in employer contributions from 1 April 2024 had been built into the budget, and the residual risk of approximately £300k noted.
- 6.3 Members were advised that the budget assumptions had been made on the basis that the employer contributions would be part-funded by the SCAPE grant.
- 6.4 A Member expressed concern that if the grant allocation were to be passed directly to the local authorities by the Welsh Government, this funding may not be passed on to the Fire Authority in full. ACFO MacArthur confirmed that the communication of the fire levy to the constituent local authorities would stress the residual risk and the possibility of funding being directed to them.
- 6.5 It was asked if there was a mechanism in place to go back to the local authorities in order to request additional money from them, should the grant funding not come through. ACFO MacArthur confirmed that a supplemental levy could be issued, with approval from the Authority.
- 6.6 **RESOLVED TO:**
- i) Note the current draft position of the 2020 valuation of the Firefighters' Pension Scheme;**
  - ii) Note the anticipated increases in employer contributions from 1 April 2024; and**
  - iii) Note the funding assumptions in relation to the employer contributions and the residual risk.**

## 7 UPDATE REPORT – SCHEME MEMBERSHIP

- 7.1 Beccy Marfleet presented the Firefighters Pension Scheme Update Report which aimed to provide the LPB with an update on current issues relating to the Firefighters' Pension Scheme.
- 7.2 ACFO MacArthur felt it important that the LPB recognise the challenges being experienced by the Pensions Officer in respect of the increase in workload in relation to the McCloud and O'Brien judgements.



- 7.3 Members agreed that communication with staff was key in this area. Pension clinics had been delivered already and work would continue to ensure that staff understood the process fully.
- 7.4 ACFO MacArthur asked that Employee Reps help by communicating with staff that the Pensions team were working as quickly as possible in order to process them. Furthermore, the final pension could not be finalised until their final pay had been processed. ACFO MacArthur took an action to develop a FAQ and anticipated timeline for distribution to staff.
- 7.5 It was confirmed that in the short term, an operational firefighter on modified duties had been redeployed to help in the pensions department. A recruitment process had now been commenced to employ an additional and experienced member of staff on a fixed term contract.
- 7.6 **RESOLVED to:**
- i) **note the content of the report;**
  - ii) **ACFO MacArthur to develop communication for RDS personnel in relation to the second-choice exercise.**

## **8 UPDATE REPORT – ADMINISTRATOR**

- 8.1 Martin Morgan presented the North Wales Fire and Rescue Service (the Service) pensions administration report – January 2024, which aimed to provide a progress update on a number of projects being simultaneously undertaken, along with providing information on relevant issues in the administration of scheme benefits.
- 8.2 Martin Morgan highlighted that the software manufacturers were still updating the software following the release of the regulations in September 2023.
- 8.3 ACFO MacArthur advised Members that there were manual checks and balances in place to ensure that the data being produced by the software was correct. It was confirmed that the data was also fully audited.
- 8.4 **RESOLVED to:**
- i) **note the content of the report**



## **9 UPDATE ON LEGAL MATTERS**

- 9.1 ACFO MacArthur provided Members with a verbal update on legal matters relating to the Firefighter's Pension Schemes.
- 9.2 It was confirmed to Members that a more detailed report would be provided at the next meeting to give a full update on progress in this area.
- 9.3 **RESOLVED to**  
**i) note the content of the update given.**

## **10 RISK REGISTER**

- 10.1 ACFO MacArthur presented the Risk Register report, which provided Members of the LPB with an update on risk management arrangements.
- 10.2 The financial risks to the Authority were reviewed.
- 10.3 It was suggested that an internal assurance statement be provided to the LPB on an annual basis, including a success report, and agreed that this should be built into a future plan. ACFO MacArthur to progress this with Dyfed Pension Fund.
- 10.4 ACFO MacArthur confirmed that some manual calculations had been carried out on a random basis as a spot check and that these had always verified the data.
- 10.5 **RESOLVED to:**  
**i) endorse the assessment of the funding risks associated with the firefighters' pension scheme.**

## **11 TRAINING**

- 11.1 ACFO Helen MacArthur advised that orientation training would be offered to Members outside of the meeting.
- 11.2 It was stressed that all Members were required to complete the modules within the Pensions Regulator Toolkit prior to the next meeting. One Member stated that they felt it would be beneficial to complete the training again following the recent judgements.



11.3 Members were asked to let ACFO MacArthur know if there were any areas that they felt they required training on in future meetings.

11.4 At this juncture, new Members were welcomed and thanked for their contributions to the meeting.

11.5 **RESOLVED to:**

**i) All members to complete the Pensions Regulator Toolkit modules prior to the next meeting**

**ii) ACFO MacArthur to provide separate training for new members to provide scheme information**

**ii) All members of the LPB to consider their training requirements for the forthcoming year.**

## **12 SCHEME ADVISORY BOARD**

12.1 ACFO MacArthur delivered her paper on the Scheme Advisory Board for Wales (SABW) which aimed to provide Members of the LPB with an update on matters discussed at the SABW.

## **13 MATTERS TO BE ESCALATED TO THE FIRE AND RESCUE AUTHORITY (FRA)**

13.1 It was agreed that the Terms of Reference should be taken to a future Authority meeting for final approval.

## **14 DATE OF NEXT MEETING**

14.1 The next meeting would be held on 11 April 2024 at 09:00hrs.

Meeting closed 10:30