

AT A MEETING of the HIWFRA Firefighters' Pension Board of HAMPSHIRE COUNTY COUNCIL held at the Hampshire and Isle of Wight Fire and Police Headquarters, Eastleigh on Thursday 21 November 2024

Chairman: * Richard Scarth
Vice-Chairman: * Sean Harrison

* Councillor Roger Price	Richard North
Tor Strowger	* Ross Singleton
* Ant Westbrook	* Rob Sansome

123. APOLOGIES FOR ABSENCE

Apologies were received from Tor Strowger and Richard North.

124. DECLARATIONS OF INTEREST

Members were mindful of their duty to disclose at the meeting any Disclosable Pecuniary Interest they had in any matter on the agenda for the meeting, where that interest was not already in the Authority's register of interests, and their ability to disclose any other personal interests in any such matter that they might have wished to disclose.

No declarations were made.

125. MINUTES OF PREVIOUS MEETING

The minutes of the 13 August 2024 were reviewed and agreed.

126. DEPUTATIONS

There were no deputations.

127. CHAIRMAN'S ANNOUNCEMENTS

The Chairman informed the Board that he will be attending a meeting with all the Chairs of Boards across the service and will provide an update at the next meeting. He also welcomed Rob Sansome, the Employer Representative, to the Board, and Hayley Read from Hampshire Pension Services to the meeting.

128. LEGISLATION AND LOCAL GOVERNMENT (LGA) UPDATE REPORT

The Board received the Legislation and Local Government Association (LGA) Update from the Chief Financial Officer (item 6 in the minute book).

The Board was informed that the reports are reviewed monthly against LGA and Hampshire Pension Services bulletins and updates. The last three months have been crucial for McCloud and Matthews, with the report showing new guidance

and clarification points. Although it has been a year since these issues arose, progress is being made.

The bulletins include updates from the Scheme Advisory Board. Concerns about tax on lump sums, raised at the last meeting, have now been resolved.

The report highlights training opportunities for Board Members. The Chief Financial Officer agreed to request that additional people be added to fully booked Teams training sessions to avoid Members having to wait until June for the next available session.

Representatives from HR and the Pension Board attended the annual Firefighters Pension Conference. Ross Singleton, Scheme Representative, reported that the training was excellent, with a focus on the impending Universal Pension Dashboard.

The Chief Financial Officer explained that the Pension Dashboard will allow employees to see all their pensions in one place, with larger schemes being integrated first and smaller schemes later. However, the DWP is struggling to input their data, delaying the dashboard's launch. The Chief Financial Officer confirmed that our paperwork for the dashboard has been submitted.

Councillor Price, Employer Representative, noted that the LGA charges each Fire Service for Pension Services updates, in addition to the initial subscription fees. A significant increase in these charges is expected next year, which he has challenged on behalf of the Hampshire and Isle of Wight Fire and Rescue Authority, as it is significantly higher than inflation. The Chief Financial Officer advised that they will monitor the charges after the McCloud and Matthews issues are resolved, as the requirements should decrease, potentially leading to adjusted charges.

RESOLVED

The content of the report were noted by the HIWFRA Firefighters' Pension Board.

129. **FIRE PENSION BOARD STATUS REPORT AND RISK REGISTER REVIEW**

The Board received the Fire Pension Board Status Report and Risk Register Review from the Chief Financial Officer (item 7 in the minute book).

The Chief Financial Officer advised that we have reached a critical stage in implementing McCloud and Matthews, and the report is heavily focused on this.

Communications were provided to new recruits and at recent pre-retirement courses. Information was also distributed in the Routine Notice in September, advising staff on how to raise Pension Enquiries.

The Board discussed whether including a post in the Routine Notice was sufficient, as there seems to be a lot of confusion within the Service. The Chief Financial Officer acknowledged the confusion and explained that both McCloud and Matthews are happening simultaneously, leading to concurrent information

dissemination. The Board was informed that a selection of Frequently Asked Questions is being prepared, which will be constantly updated and linked on both the Pensions page and the main Fire pages for easier access. It was also agreed that Hampshire Pension Services can update the template for future information releases to enhance clarity. The Board was advised that our Service is at the forefront of addressing these issues, as many other Services have not yet issued the Annual Benefit Statements. The Vice Chairman suggested sharing this with Employees to foster understanding and tolerance by highlighting the extensive work involved.

The Board was informed of ongoing regular meetings between Hampshire and Isle of Wight Fire and Rescue Service, IBC Pensions Administration, and Hampshire Pension Services. The Chief Financial Officer recently attended the Pension session at the National Fire Finance Network Conference.

Significant progress has been made on the McCloud remedy since the last update. The Remedial Service Annual Benefit Statements for active and deferred members have been issued, providing more information than initially planned. By the 31 August deadline, 85.4% of the statements were produced, with the bulk sent out by 20 September. All statements have now been issued. This breach will be reported to the Pensions Regulator, although no sanctions are expected. This will be included in the Annual Report to the Full Authority, and no further action is required at this time.

The Chairman noted that there are numerous queries related to the statements, and recipients seem confused. It is hoped that the second issuance will be clearer.

For this year only, members wishing to pay contributions to return to their legacy pension plan can split the payments into three instalments; this option will not be available in future years.

Remedial Pensions Savings Statements were due by 6 October and were issued on time. All queries received have been addressed.

Statements are now being manually created for members who retired between 2015 and 1 October 2023.

Final statements are to be issued to members fully protected in the legacy scheme. Although the necessity of this has been questioned, the Chief Financial Officer confirmed that it is required. A clear cover letter will accompany the statements to minimize confusion.

At the last meeting, the Board addressed the issue of tax on lump sum payments, concluding that the tax should not be paid twice. Guidance has since confirmed this will not occur.

The outstanding issue of Compensation is still pending, with work ongoing in the background. The team is awaiting national guidance to avoid restarting the process.

Progress has been made on the Matthews remedy since the last update. No cases have been fully processed yet, but this is expected to begin soon.

Efforts are underway to trace 141 members with missing address data. A third reminder will be sent via Recorded Delivery, and if not received, these members will be added to tracing enquiries.

Most statements have been issued, and a large volume of enquiries has been received. Some queries, related to the Government Actuary Department's calculator, are being referred to them. Clearer Frequently Asked Questions have been created, and a detailed video on the Matthews remedy by the Fire and Rescue Services Association has been identified. While the video is over an hour long, the HR team are signposting to members.

There is potential that this exercise will need to be repeated due to complexities and anomalies. Some rules may be challenged, particularly regarding deferred or deceased members. The Board discussed the possibility of telephoning members to ensure they review the letters and respond appropriately. They also considered contacting Local Retained stations for contact details of unlocated members. The Chairman agreed to consult the Local Government Association for any helpful case studies.

The Board received an overview of amendments to the Risk Register. The review is ongoing, but the format will appear more corporate in the next meeting. The Chief Financial Officer noted that the risk for the McCloud remedy (risk 5) has increased due to slower progress than anticipated. Risk 8 has decreased as the HR team has integrated more quickly than expected, and Risk 11 related to the Matthews Remedy remains unavoidable due to the lack of national guidance, which is hoped to be resolved by the next meeting.

RESOLVED

- The content of the report was noted by the HIWFRA Firefighters' Pension Board
- The reporting of the breach on Annual Benefit Statements to the Pension Regulator was noted
- The risk register as set out in paragraphs 33 - 37 and Appendix A was approved by the HIWFRA Firefighters' Pension Board

Chairman,