



Minutes of the meeting of the Local Pension Board held on 30 January 2025 at 09:30 via Zoom

PRESENT

Employer Representatives:

Cllr Bryan Apsley

Cllr John Brynmor Hughes

Cllr Gwynfor Owens (left 10:55)

Dafydd Edwards, Treasurer

Gareth Owens, Clerk to the Authority and Monitoring Officer

Scheme Members

Fire Officers' Association - Paul Kay

Fire Leaders' Association - ACFO Stuart Millington

RDS Representative - Geraint Evans

Fire Brigades Union – Rebekah Uden (from 09:50)

Advisors

Dawn Docx, Chief Fire Officer

Helen MacArthur, Assistant Chief Fire Officer

Aled Williams, Dyfed Pension Fund

Kim Jeal, Fire Pensions Technical Lead

Attendees

Steffan Wiliam, Translator

Lisa Allington, Executive Assistant

1 APOLOGIES

- 1.1 Apologies were offered and accepted for Beccy Marfleet and Terry Ledden.

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 1 October 2024 were approved as a true and accurate record.

4 TERMS OF REFERENCE – FOR REVIEW

- 4.1 ACFO MacArthur presented to Members the proposed Terms of Reference for the 2025/26 financial year.



- 4.2 Members were reminded of the make up and purpose of the Local Pension Board (LPB), and that the North Wales Fire and Rescue Authority (the Authority) were the Scheme Manager. ACFO MacArthur noted that some other LPBs had an independent chair in addition to an equal number of employer and employee representatives, and that this may be worth considering.
- 4.3 The Chair advised that LPB membership had been reviewed around 18 months previously and the membership numbers had been increased at that time. It was felt that this had benefited the LPB in ensuring better attendance.
- 4.4 The Chair further stated that he felt it unnecessary to appoint an independent chair at this stage due to the potential changes to governance that may impact LPB membership in the next 12 to 24 months.
- 4.5 Gareth Owens noted that new legislation for the way that pension schemes were run was also being discussed at government and that this may also impact LPB membership.
- 4.6 The Chair proposed that paragraph 26 with reference to the quorum of the meeting be altered from six members to three members, to include at least one scheme member and one employer representative. This proposal was seconded with all in favour.
- 4.7 **RESOLVED to:**
- i) **Note the scope and requirements of the Terms of Reference of the Local Pension Board;**
 - ii) **recommend that the quorum requirements be amended from six members to three members, to include at least one scheme member and one employer representative; and**
 - iii) **endorse the Terms of Reference for approval by the Authority in its capacity of Scheme Manager, once the above amendment has been made.**

5 MEMBERSHIP AND MEETING DATES FOR 2025/2026

- 5.1 ACFO MacArthur presented the current membership arrangements for the Local Pension Board of the Authority's Firefighters' Pension Scheme and confirmed the meeting dates for 2025/26.



- 5.2 Members agreed that there should be some flexibility with meeting dates, should it transpire that the date becomes difficult for members to attend.
- 5.3 Members were advised that the Fire Leaders Association (FLA) representative had changed from CFO Dawn Docx to ACFO Stuart Millington; however, should ACFO Millington be unable to attend at any stage, CFO Docx would represent FLA members on his behalf.
- 5.4 It was noted that the quorum requirements required altering in line with the previous item.

5.5 **RESOLVED TO:**

- i) Note the current membership of the Local Pension Board;**
- ii) note the changes to the quorum requirement from six members to three members to include one employer representative and one scheme member, as per the previous item;**
- iii) note the proposed meeting dates for the 2024/25 financial year.**

6 UPDATE ON LEGAL MATTERS

- 6.1 Kim Jeal presented the report regarding legal issues which set out the requirements and statutory timelines imposed by changes to Public Sector Pension Scheme legislation, and more specifically Firefighter Pension Schemes. These were more commonly known as the McCloud and O'Brien (Matthews 2) pension remedy exercises.
- 6.2 It was noted that in addition, the Pensions Dashboard Project, which was being implemented by the Department for Work and Pensions (DWP), was now gathering pace and the connection date for Schemes in the Fire Sector had been given a connection date of October 2025.
- 6.3 Kim Jeal highlighted the complexities of completing the McCloud exercise and highlighted that it was unlikely that it would be completed by the statutory deadline of 31 March 2025.
- 6.4 The CFO reassured Members that North Wales were not alone with the difficulties that were being faced in relation to the McCloud judgement and that these were being felt across the public sector.



- 6.5 ACFO MacArthur advised that the issue of Remedial Service Statements (RSS) were being prioritised by those who had retired with ill health, those who were retiring immediately and then those who had already retired but who had tapered protection.
- 6.6 The Chair proposed that these issues be escalated to the Authority to make them aware of the issues being faced.
- 6.7 ACFO Stuart Millington proposed that thanks be recorded on behalf of pension members for all the work being carried out in the background in relation to both the McCloud and O'Brien judgements. This proposal was seconded with all in favour.
- 6.8 In relation to the O'Brien judgement, a similar prioritisation exercise was being undertaken as that for the McCloud judgement, and it was noted that England were planning on extending the deadline for this judgement for a further 12 months to July 2026. The Welsh Government had confirmed that it was likely that they would follow suit, although the terms of this were not yet clear. A consultation would probably take place in a couple of months, prior to the July 2025 deadline.
- 6.9 The Chair noted that there were many complexities around the O'Brien judgement and that an extension to the deadline would be welcomed.
- 6.10 ACFO MacArthur advised that, should the deadline move, this may mean that North Wales Fire and Rescue Service (the Service) might find itself in a moral dilemma in that there remained a responsibility to scheme members to deliver as quickly as possible. She also noted that in terms of members who may be eligible to buy back, those who had already retired would be able to do this using their lump sum.
- 6.11 The Chair felt that the Haywards software would be heavily relied upon, but that this would also create its own queries which would take time for administrators to deal with on top of the other ongoing work.



6.12 **RESOLVED to:**

- i) **note the content of the report;**
- ii) **pass on the recognition of the LPB of the hard work being undertaking in delivering the McCloud and O'Brien judgments and the difficulties being experienced;**
- iii) **note that the Service was unable to meet the statutory deadlines but was prioritising those affected;**
- iv) **ensure ongoing communication to those affected by each legal matter;**
- v) **ensure that this matter was reported to the Authority in its capacity of scheme manager.**

7 UPDATE REPORT – FIREFIGHTERS PENSION SCHEMES

- 7.1 ACFO MacArthur delivered the Firefighters Pension Schemes update report, the purpose of which was to provide the LPB with an update on current issues relating to the Firefighters' Pension Scheme including membership and work to address the legal challenges.
- 7.2 Members noted that individuals who had opted out of the scheme would be subject to re-enrolment which was scheduled for the summer of 2025.
- 7.3 ACFO MacArthur noted the ongoing communication with members and confirmed that this would be a priority for the forthcoming months due to the deadlines associated with the legal challenges.
- 7.4 **RESOLVED to:**
 - i) **Note the content of the report.**

8 UPDATE REPORT – ADMINISTRATOR

- 8.1 Aled Williams presented the Administrator's update report which provided Members with a progress update on several projects being simultaneously undertaken, along with providing information on relevant issues in the administration of scheme benefits.
- 8.2 The key points of the report were noted, and Members were asked to continue to encourage employees to sign up to the My Pensions Online service.
- 8.3 The Chair asked for thanks to be passed on to the team at Dyfed Pension Fund for their work maintaining business as usual.



8.4 **RESOLVED to:**

- i) **Note the content of the report.**

9 RISK REGISTER

9.1 ACFO MacArthur delivered the Risk Register update which sought to provide Members with an update on the risk management arrangements.

9.2 It was noted that funding had now been received to cover the increase in employer pension contributions, although the inflationary risk remained.

9.3 The risk rating for fraud was queried and it was agreed that it should be adjusted to a four from a six due to the internal controls in place.

9.4 **RESOLVED to:**

- i) **Consider and approve the funding risks associated with the firefighters' pension scheme, subject to the amendment to the fraud risk.**

10 SCHEME ADVISORY BOARD - WG CONSULTATION ON EMPLOYEE CONTRIBUTION RATES

10.1 ACFO MacArthur gave Members a verbal update on matters discussed by the Scheme Advisory Board (SAB) since October.

10.2 It was noted that the SAB broadly covered similar issues to those discussed at the LPB, and the issue with employee contributions issue had been discussed quite recently. GAD had raised a concern that the target contribution rate of 13.2 was not being achieved due to several reasons. A consultation had taken place over the last three months as to what may be done to increase that, and a paper in relation to this consultation had been taken to the Authority in January 2025.



10.3 The underpinning principles of the response were that the contributions should be affordable, rates should be structured and not be prohibitive, it should be future proofed and that the system should be easy to administer. Furthermore, a retrospective regulation should not be put in place. The consultation would close on 4 February and the response had been submitted on behalf of the Scheme Manager. This would be circulated to LPB members outside of the meeting.

10.4 It was noted that the FLA had also submitted a response, and it was likely that the Fire Brigades Union (FBU) had also done so.

10.5 RESOLVED to:

i) Note the content of the verbal update.

11 MATTERS TO BE ESCALATED TO THE FIRE AND RESCUE AUTHORITY

11.1 It was agreed that the Authority be requested to approve the changes to the quorum requirements for the LPB as per item 4.

11.2 Members acknowledged the difficulties being experienced in achieving the statutory deadline in relation to the issue of RSS, and whilst recognising that it was a national challenge, the LPB agreed to escalate this to the Authority as the 'Scheme Manager'.

11.3 It was further acknowledged that the LPB would have to report itself to the TPR. Members thanked everyone for their hard work and asked that this be noted by the FRA.

12 DATE OF NEXT MEETING

12.1 The next meeting would be held on 10 April 2025 at 09:30hrs.

Meeting closed 11:02