



**DEVON &
SOMERSET**
FIRE & RESCUE SERVICE

LOCAL PENSION BOARD

Date of Meeting: Wednesday 18 March 2020, at 3.00 pm in Room E (The Hub),
Devon & Somerset Fire & Rescue Service Headquarters

A G E N D A

ITEM NO.	ITEM TITLE
1.	<u>Apologies</u>
2.	<u>Conflict of Interest Declaration</u>
3.	<u>Notes</u> (Pages 1 - 4) Notes of the meeting held on 30 October 2019 attached.
4.	<u>Review of Actions</u> (Pages 5 - 10) Paper attached.
5.	<u>Training Log Update</u> (Pages 11 - 12) Paper attached.
6.	<u>Correspondence Update</u> (Pages 13 - 14) Paper attached.
7.	<u>Scheme Manager Update</u> (Pages 15 - 22) Paper attached.
8.	<u>Appointments to the Board</u> (Pages 23 - 24) To note arrangements for appointments in June 2020 – Register of appointments attached
9.	<u>Risk Register</u> (Pages 25 - 26) To review the register (attached).
10.	<u>Governance Documents</u> To review and confirm the following governance documents:

ITEM NO.	ITEM TITLE
	(a) <u>Terms of Reference</u> (Pages 27 - 34) Attached
	(b) <u>Roles and Responsibilities</u> (Pages 35 - 38) Attached.
11.	<u>Self Assessment/Assurance</u>
	(a) <u>Website</u> To confirm that the website is up-to-date.
	(b) <u>tPR Annual Survey</u> (Pages 39 - 58) To note/discuss the survey returned in December 2019 (attached).
	(c) <u>tPR Self-Assessment</u> (Pages 59 - 64) To agree arrangements for refresh of self-assessment completed in September 2019 (attached).
	(d) <u>Annual Review of Internal Controls</u> (Pages 65 - 72) To agree arrangements. Paper attached.
12.	<u>LPB Work Programme</u> (Pages 73 - 74) Attached. To review programme and items for LPB meeting in June 2020.
13.	<u>Date of Next Meeting</u> Note: meeting due to take place on Wednesday 24 June 2020 to be rescheduled.

Board Membership

*Scheme Manager
Representatives:*

Mike Pearson
Satnam Singh Rai
Amy Webb

*Scheme Member
Representatives:*

Andy Hallam
James Leslie
Peter Redbourn

Other Attendees:

Steve Pope (Delegated Scheme Manager)
Caroline Gourlay (Rewards & Benefits Manager)
Steve Yates

Agenda Item 3

LOCAL PENSION BOARD 30 October 2019

Present:

<i>Scheme Manager Representatives:</i>	<i>Scheme Member Representatives:</i>	<i>Other Attendees:</i>
Mike Pearson (MP) (Ch) Amy Webb (AW)	Andy Hallam (AH) James Leslie (JL)	Steve Pope (SP) (Delegated Scheme Manager)
Cllr George Wheeler (GW) (Vacancy)	Peter Redbourn (PB) Ben Redwood (BR)	Caroline Gourlay (CG) (Rewards & Benefits Manager) Steve Yates (SY) (Note-taker)

Also in attendance:

Helen Scargill (HS) (WYPF)

MIN NO.	ITEM TITLE
LPB/19/38	<u>Conflict of Interest Declaration</u> No conflicts of interest were declared.
LPB/19/39	<u>New Scheme Member Representatives</u> MP welcomed JL and BR as Scheme Member representatives to the Board.
LPB/19/40	<u>Notes</u> The Notes of the meeting held on 8 August 2019 were AGREED .
LPB/19/41	<u>Review of Actions</u> The latest version of the Action Log was reviewed and updated.
LPB/19/42	<u>Training Log Update</u> The current version of Training Log was received for information. The Chair encouraged the new Scheme Member representatives to undertake the Pension Regulator e-learning modules.
LPB/19/43	<u>Correspondence Update</u> Received: log of correspondence received by the Board since its last meeting.
LPB/19/44	<u>Scheme Manager Update</u> CONSIDERED latest Scheme Manager update. Pensions survey and annual returns. The Aeon report on quality of service and value in operating schemes was available. The Pensions Regulator annual survey was anticipated for November/December. Communications Annual Benefits Statements for the bulk of the Scheme went out to the required deadline.

MIN NO.	ITEM TITLE
	<p>There was a delay (linked to the development of automation) with the 2006 modified scheme but ABSs had been produced and no further problems were anticipated. Both the Service and WYPF had reported the late production of the ABS for the 2006 modified scheme as a breach to the Regulator. Following feedback from staff, additional information had been included in the 2018-19 ABS.</p> <p>An annual allowance factsheet had now been produced and was available on the HR intranet site. When people were promoted, there would be a paragraph in the promotion letter sign-posting to the annual allowance factsheet.</p> <p>WYPF was working on the My Pensions Portal which would automate how estimates were requested and received.</p> <p><i>Pensions Projects</i></p> <p>Pensionable pay. Since the last meeting, discussions on pensionable pay had been relayed to FBU. Locally, it was accepted that this exercise was completed although there was still an issue at regional level. The Service was reinvigorating the concept of a crewing pool and the Board was asked for views on whether the crewing pool hourly rate should be pensionable.</p> <p>As this was a voluntary role, the view has been taken that the payment was not pensionable. Making the payment pensionable would not accord with the Blackburne principles. The Board expressed the view that the allowance should not be pensionable for these reasons.</p> <p>Transition protection judgement – a case management hearing was scheduled for 18 December and technical discussions would follow from that. The Home Office had contacted the Scheme Advisory Board and wanted to involve the SAB and Scheme Members in looking at the impact of the claim for non-claimants. It was anticipated that consultation on the new proposals would take place in the New Year.</p> <p>Abatement, the “two pension” issue and reporting of breaches had been addressed under the Action Log agenda item.</p> <p>SP expressed his view that, generally, WYPF continued to provide an excellent standard of service. AW confirmed that she had discussed KPIs as contracted with WYPF which would provide a list of KPIs (commented on only by exception) and look to enhance the monthly report to include trend analysis on the standard report.</p>
LPB/19/45	<p><u>Key Performance Indicators</u></p> <p>Was addressed in the Scheme Managers report.</p> <p>HS commented there might be merit in developing internal Board and client side administration KPIs (e.g. time to provide information to WYPF on death in service; time to notify WYPF of pay award etc). ACTION SP to consider this.</p>
LPB/19/46	<p><u>Risk Register</u></p> <p>CONSIDERED first version of a Board risk register. The register indicated impact and likelihood with identified mitigating factors and an indication on the effect on the original risk of application of the mitigating factors.</p> <p>Updating this risk register would be an iterative process and would feature as a standing item on Board agendas. WYPF would provide a copy of its business continuity plan.</p> <p>ACTION MP to look at the Devon Audit Partnership review of Board effectiveness with a view to mapping across any relevant areas of governance risks.</p> <p>ACTION Board members to review and feedback on draft risk register.</p>

MIN NO.	ITEM TITLE
LPB/19/47	<p><u>TPR Self-Assessment</u></p> <p>The latest version circulated to the Board illustrated a positive direction of travel. MP commented that at some point in the future there could be merit in obtaining an external quality assurance of the self-assessment e.g. via an internal audit.</p> <p>AW commented that internal audit should be risk based and given that the board had received a high standard report, there would likely be other priorities for internal audit in the short-medium term.</p>
LPB/19/48	<p><u>TPR Annual Governance and Administration Survey</u></p> <p>This was expected imminently. It was hoped that Board members would have some input to completing the return and it was suggested that the draft return be circulated via e-mail for comments.</p> <p>ACTION SP and CG to produce first pass and then circulate this by e-mail for comments.</p>
LPB/19/49	<p><u>LPB Work Programme</u></p> <p>Latest version of work programme circulated, providing an overview of what the Board would be looking at overtime. It was anticipated this would be a rolling programme.</p> <p>HS suggested that the Work Programme might also be informed by the WYPF monthly calendar and also the LGA Scheme Year Cycle to assist with business alignment.</p> <p>ACTION MP to look at WYPF monthly calendar and LGA Scheme Year cycle and to amend work programme as necessary to promote alignment.</p>
LPB/19/50	<p><u>Date of Next Meeting</u></p> <p>15.00hours, Wednesday 18 March 2020.</p>

The Meeting started at 3.00 pm and finished at 4.45 pm

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Item 4 - LPB Action Log 2020-03-06 - Open Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	RAG
14/02/2019	Board	Amy Webb	In progress	Performance Measures	KPIs Performance measures as identified in the contract to be considered in terms of data collection and reporting. AW to work with Procurement and an update to be provided at the April 25 meeting	08/04/19: KPIs in contract documentation had been circulated. SP to report progress in Scheme Manager's update to LPB on 25 April. 29/05/19: WYPF report KPIs do not align to KPIs in the contract. SP discussing with Procurement ... possible standards KPIs for use by WYPF User Group? 19/07/19: Action with AW. Procurement contact off at present AW to pick up next month. 08/10/19: AW been trying to get hold of WYPF but no response. Will be raised at LPB on 30 Oct. 30/10/19: WYPF had agreed to feedback on the KPIs under the contract to ensure that: all agreed KPIs are reported; it will be made clear where indicators would only be reported by exception (e.g. rare cases); and consideration would be given to use of performance trend analysis to add further value to the report. ACTION CLOSED 12/02/20: Action re-opened because WYPF has not done what it agreed to in October. Issue has been escalated through WYPF complaints process but no response has been received. Treasurer has requested a telephone call with complaints officer (Bradford City Council). 06/03/20: WYPF now including KPIs in reporting. Action open to monitor.	G
29/05/2019	Board	Steve Pope	Closed	Administration and Compliance	Abatement - Incorrect application of rules A number of pensioners not had abatement applied when should have done. SP to work with WYPF to establish extent of the issue and information required.	19/07/19: Waiting for report from WYPF so HR can provide information on each case allowing them to be assessed by AW. 12/09/19: Information received from WYPF on each case; advice obtained from LGA; meeting scheduled with AW and MP to discuss resolution. 08/10/19: Meeting held and agreed to repay fund and write to DCC seeking compensation. SP to provide to comments to AW so AW can get letter off. 30/10/19: AW advised that DCC had acknowledged receipt of correspondence from DSFRS but had still to provide a substantive response. 14/11/19: DCC response received. AW & SP to respond. 11/12/19: Response sent to DCC 10 Dec. 12/02/20: Disappointing response received from DCC, not accepting points raised with them or any responsibility/liability. Also said don't think it's good use of their time entering into any further correspondence on the issues. In view of this, no further action is proposed. ACTION CLOSED	G
07/06/2019	FRA	Mike Pearson	Closed	LPB Governance and Effectiveness	Scheme Manager Representative Appointment MP to conduct recruitment of external SME to act as Scheme Manager rep.	19/7/19: Desk top research undertaken into similar roles on other LPBs. Recruitment process to be conducted during Aug/Sept. 12/09/19: Advert not produced yet. 08/10/19: Advert being drafted 30/10/19: Advertisement placed with closing date of 11 November 2019 04/12/19: Two candidates shortlisted and being interviewed on 11 and 17 Dec 19/12/19: Satnam Singh Rai appointed. ACTION CLOSED	G
14/08/2019	Chair	Mike Pearson	In progress	Training	New LPB Member Induction Induction programme for new LPB members (two scheme member and one scheme manager) to be developed once appointments made and TNA completed.	12/09/19: SP made enquiries for new member training. SP to check interest with LGA if other nominees in SW for local training. 08/10/19: LGA has no other planned courses. SP to check interest with other SW FRAs. 30/10/19: New Scheme Member representatives encouraged to undertake e-learning modules on Pension Regulator website at earliest opportunity. 11/12/19: LGA dates issued in monthly update - CG to look at as opportunities for two new scheme member appointees 12/02/20: CG to investigate use of free LGA day to provide induction training for the three new Board members on same day as June Board meeting. Places to be offered to other SW fire LPBs. 06/03/20: LGA induction courses on 10 June (Manchester) and 8 July (London). Dates to be offered to new Board members.	G

Item 4 - LPB Action Log 2020-03-06 - Open Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	RAG
30/10/2019	Board	Steve Pope	In progress	LPB Governance and Effectiveness	Local KPIs for Board Effectiveness WYPF suggested that consideration to be given to development of Board KPIs to assess Service effectiveness in information transmission to WYPF (e.g. time taken to notify WYPF of death in service; pay awards etc.)	11/12/19: CG asked to consider any KPIs that might assist the LPB monitor scheme manager effectiveness. Consider what WYPF think is key and also look at audit reports for possible indicators. 12/02/20: CG researching what other LPBs do. 06/03/20: Work in progress	G
30/10/2019	Board	Steve Pope	Closed	LPB Governance and Effectiveness	TPR Annual Survey SP and CG to produce first draft of return for circulation to Board Members for comment via e-mail.	26/11/19: Draft survey response circulated to LPB for comments 11/12/19: Return submitted by deadline on 29 Nov ACTION CLOSED	G
30/10/2019	Board	Steve Pope	Pending	Risk Management	LPB Risk Register Consideration to incorporating into next iteration of risk register governance risks identified by DAP in its review of Board effectiveness	11/12/19: MP to look at DAP report 12/02/20: Agreed risk register should be standing item on Board agenda and Scheme Manager to review with LPB Chair for reporting to each Board meeting. Work Programme updated to include RR as standing item. 06/03/20: MP and SP to meet to progress.	G
30/10/2019	Board	Mike Pearson	Pending	Work Programme	Work Programme WYPF suggested that consideration to be given to next iteration of work programme being informed by WYPF monthly calendar and LGA Scheme Cycle calendar	11/12/19: Not started - CG to assist MP. 12/02/20: MP to schedule meeting with CG to progress. 06/03/20: Meeting to be arranged.	G
26/11/2019	LGA Bulletin 26	Steve Pope	Closed	LPB Governance and Effectiveness	ABS Survey 2019 On-line survey with return deadline of 10 Jan 2020	11/12/19: Survey completed and submitted. ACTION CLOSED	G

Item 4 - LPB Action Log 2020-03-06 - Completed Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	Date Closed
24/01/2018		Steve Pope	Completed	GDPR Compliance Assurance for WYPF	To provide written assurance to the Board as soon as possible on plans relating to GDPR Compliance, and for this to be included in the next Scheme Manager update (PB/18/4/d)	Steve Pope: SP to seek further input from Sarah Bailey and from WYPF on GDPR. Update: Yunus Gajra (WYPF) provided and updated at the LPB meeting on the 09/05 and discussed WYPF's compliance with GDPR and the Data Protection Act. ACTION CLOSED	09/05/19
24/01/2018	Board	All LPB	Completed	Training	LPB Members Training All members and officers involved with the administration of Pensions to have undertaken all seven modules on the Pension Regulator Toolkit by the 18 April 2018 (PB/18/4/g)	15/02/19: BW confirmed his training was still to be completed. 08/04/19: Board requested that he complete the e-learning modules as soon as possible. 29/05/19: BW to try and complete on duty weekend in June. 19/07/19: CG has completed the e-learning modules. CG and GW attended LGA annual wrap up training on 18 June. 08/08/19: BW no longer LPB member so all members have now completed training. - ACTION CLOSED	08/08/19
09/05/2018		All LPB	Completed	Annual Report	Any comments on the LPB Annual report were to be sent to HS	No comments received. 19/07/19: 2018-19 Annual Report submitted to and approved by Audit & Performance Review Committee. ACTION CLOSED	19/07/19
09/05/2018		Amy Webb	Completed	LPB Governance and Effectiveness	AW would commission Devon Audit Partnership to undertake an audit of the Board, the timing of this would be dependent on other actions.	(PB/18/16/b) This would be scheduled for the end of the financial year 18/19. ACTION CLOSED	30/05/19
09/05/2018		Steve Pope	Completed	WYPF	SP to ensure the correct contact addresses were provided for TPAS and The Pension Ombudsman	HS to ensure contact addresses were added to the website 15/11/19: website amended to provide correct contact information. ACTION CLOSED	15/11/19
09/05/2018		All LPB	Completed	Annual AGM	Any Board members wishing to attend the Firefighters' Pensions AGM would advise HS		30/05/19
09/05/2018		Steve Pope, Amy Webb and Andy Hallam	Completed	LPB Governance and Effectiveness	SP, AH and AW to review the Local Government Association Survey and The Pensions Regulator Survey; challenging the Boards self-assessment update. (PB/18/16/a)	Meeting scheduled for the 15 August, diary commitments have prevented this from being earlier. ACTION CLOSED	30/06/19
09/05/2018	Board	Mike Pearson	Completed	Terms of Reference	LPB roles and responsibilities MP would review the documentation relating to roles and responsibilities and where this information had been published (PB/18/15).	08/04/19: Not progressed beyond the initial desk top review. If not completed for LPB meeting on 25 April, target would be to complete for meeting on 25 July 2019. 19/07/19: Target for Board meeting on 8 August 22/07/19: Draft roles and responsibilities on agenda for 8 Aug 08/08/19: Roles and responsibilities document agreed by LPB - ACTION CLOSED	08/08/19
09/11/2018		Mike Pearson	Completed	Terms of Reference	MP to contact members of the board about quorum - in the event of non-consensus MP will be take a paper to the Authority on the 14th December.	15/02/19: Discussed at LPB meeting where it was agreed to ask the Authority to increase Membership to 8 with quorum set at 50% to include at least one rep from each side.	15/02/19
09/11/2018	Board	Mike Pearson	Completed	Work Programme	LPB Work Programme MP to work alongside HS to create a skeleton programme of work. This will determine the dates for the next meetings.	08/04/19: Not progressed beyond the initial desk top review. If not completed for LPB meeting on 25 April, target would be to complete for meeting on 25 July 29/05/19: Discussion at Board - SAB has guidance? 19/07/19: Target for Board meeting on 8 August 22/07/19: Draft work programme on agenda for 8 Aug 08/08/19: Work programme agreed by LPB - ACTION CLOSED	08/08/19
18/02/2019	DAP Report	Mike Pearson	Completed	Board Governance	Attendance at meetings to be considered in 2019, in relation to the effectiveness of the Board and the impact of cancelled meetings on Board business. Source; Devon Audit Partnership report	The issue of meeting attendance had been identified internally and was reviewed at the February 2019 meeting.	18/02/19
18/02/2019	DAP Report	Mike Pearson/Steve Pope	Completed	Scheme Manager	Appropriate cover and contingency arrangements should be established for the Scheme manager. Source; Devon Audit Partnership report	As well as providing resilience, additional capacity could be created. The employer reps and scheme manager will consider cover arrangements in their regular meetings and work plan for 2019.	18/02/19
18/02/2019	DAP Report	Mike Pearson	Completed	Board Governance	TPR guidance (code of practice) in relation to governance, record-keeping, internal controls and member communications should continue to be reviewed by the DSFRA Pension Board and management, and actions agreed with a view to bringing all self-assessed TPR areas to 'Green'.	TPR Guidance is considered regularly and monitored via the population of surveys and monitoring. Clear records will be maintained.	18/02/19
18/02/2019		Hannah Singleton	Completed	Risk Management	Arrange a workshop for Steve Pope to discuss the Risk Register with Board Members	Workshop arranged for Thursday 04 April at 11:00. Facilitated by SP ACTION CLOSED	19/02/19
18/02/2019	DAP Report	Mike Pearson	Completed	Agenda Publication	An opportunity Pension Board agendas, papers, minutes and decisions (and other related documentation) to be published by DSFRS. Source; Devon Audit Partnership report	Agenda, papers and minutes are now prepared using ModernGov so will be published from April 2019. S	30/04/19

Item 4 - LPB Action Log 2020-03-06 - Completed Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	Date Closed
18/02/2019	DAP Report	Mike Pearson	Completed	LPB Governance and Effectiveness	Future iterations of the Pension Board annual report could include detail on the number of retirements, new starters, membership numbers and 'opt out' numbers, as well as reference to statutory breaches (even if nil) and areas of identified good practice, as referred to within the Board terms of reference.	29/05/19: For 2019/20 Annual Report. ACTION CLOSED	29/05/19
18/02/2019	Board	Mike Pearson	Completed	LPB Governance and Effectiveness	FRA to be approached by the Board with a proposal to increase the Board membership to 8 and an alteration to the quorum to 50% (minimum one from each side)	29/05/19: On FRA agenda for 7 June 07/06/19: FRA approved changes. ACTION CLOSED	07/06/19
18/02/2019	DAP Report	Mike Pearson	Completed	Training	An annual training plan to be considered but must be proportionate to the role of Pension Board members	29/05/19: New members to the Board - LGA doing some thing on this? Consider CPD, perhaps using TPR modules? 19/07/19: CPD via attendance at Annual Pension Conference and workshops as may be arranged during the year. ACTION CLOSED	19/07/19
19/02/2019		Hannah Singleton	Completed		A Scheme Member Representative would be invited to the Monthly Pension meetings held with AW, SP and MP. The meetings would go ahead regardless of attendance of the Scheme Member Representative. HS to arrange.		19/02/19
29/05/2019	Board	Amy Webb	Completed	Administration and Compliance	AW to seek clarification of statutory rules for abatement of pension payments where former employees working for Red One.	24/06/19: AW spoken with both HMRC and LGA Pensions. Both confirm that unless individuals legitimately working as a contractor, pension abatement would apply because ROL a wholly owned subsidiary of the FRA. - ACTION CLOSED	24/06/19
08/08/2019	Board	Steve Pope	Completed	Administration and Compliance	Abatement rules for 2015 scheme SP would check why abatement did not, apparently, apply to the 2015 Scheme and advise members of the LPB accordingly.	12/09/19: CG provided clarification of regs. To be circulated to Board. ACTION CLOSED	12/09/19
08/08/2019	Board	Steve Pope	Completed	LPB Governance and Effectiveness	WYPF attendance at LPB meeting SP to invite WYPF to attend the next Board meeting on 30 October 2019 or a subsequent meeting, depending on availability.	12/09/19: WYPF confirmed attendance. - ACTION CLOSED	12/09/19
08/08/2019	Board	Steve Pope	Completed	Administration and Compliance	Pensionable Pay SP to discuss with the Representative Bodies the allowances considered by the LPB on the basis that they be non-pensionable.	12/09/19: SP passed position to RBs, awaiting response. - ACTION CLOSED	12/09/19
09/05/2018	Board	Steve Pope	Completed	Risk Management	Risk Register To develop a risk register	SP had reviewed risk registers from Staffordshire and Cheshire FRS - this had also been discussed at the WYPF quarterly meeting. 09/11/18: SP had developed a risk register and would be revising following AW's comments. 08/04/19: LPB workshop held on 04/04/19 to review/further develop the risk register. Revised risk register to be on agenda for LPB meeting on 25 April. 29/05/19: Board requested that revised RR be circulated ahead of next meeting. 19/07/19: SP not yet made revisions following workshop on 4/4. SP to bring to monthly meeting on 12 Sept. 12/09/19: Deferred to Oct monthly meeting. 27/09/19: To be taken to LPB on 30 Oct so can report as complete in TPR survey (due Dec) 08/10/19: Key part of TPR survey - SP working to get this ready for LPB on 30 Oct 30/10/19: Draft risk register included on agenda for Local Pension Board meeting 30 October 2019. ACTION CLOSED	30/10/19
18/02/2019	DAP Report	Steve Pope	Completed	LPB Governance and Effectiveness	LPB Website - IDRPs details No clear reference on the Pensions Board webpage to the local process to be followed relating to pensions disputes.	08/04/19: This was not referenced on the WYPF website. 29/05/19: WYPF website includes guidance on IDRPs but DSFRAs website does not. 19/07/19: DSFRAs website still to be updated with IDRPs details. 12/09/19: Still to be done 27/09/19: CG to update DSFRAs website to include reference to IDRPs and link to DSFRAs policy/procedure and link to guidance on WYPF website 08/10/19: Website updated. ACTION CLOSED	08/10/19

Item 4 - LPB Action Log 2020-03-06 - Completed Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	Date Closed
18/02/2019	Board	Steve Pope	Completed	LPB Governance and Effectiveness	Scheme Member Representative Appointment SP to undertake an advertisement and recruitment process for the position of a Scheme Member Representative on the Board (PR's position)	08/04/19: This would be advertised on the Service website, Facebook page and other notable Facebook Groups. This would be concluded by the next FRA meeting on the 07 June, training would then be attended by the individuals on the 18 June. 11/07/19: One request received for further information. Clarification of PR intention to re-apply required. 19/07/19: SP to respond to person who requested information - MP to contact PR. 12/09/19: PR has confirmed he will stay one so have two vacancies. Three RBs offering nomination plus one other individual. SP to undertake process to select two of the four. 08/10/19: Two vacancies, three interested parties. SP progressing. 30/10/19: Two vacancies now filled by James Leslie and Ben Redwood. ACTION CLOSED	30/10/19
19/07/2019	Scheme Manager	Steve Pope	Completed	Administration and Compliance	Split Pension SP to work through breach flow chart to assess if a reportable breach.	08/08/19: Reported to LPB that issue been identified as representing a breach, but there was a question on whether the breach was reportable. SP to work through breach flow chart, together with using the SAB template and guidance, to assess if a reportable breach. Update to be reported to the next Board meeting. 12/09/19: SP to discuss recommendations with AW and MP 08/10/19: SP view is it is reportable and will submit report to TPR 30/10/19: SP advised that this had been reported as a breach to TPR. ACTION CLOSED	30/10/19
29/05/2019	Board	Steve Pope	Completed	Administration and Compliance	MHR data extraction - Manual file Data extraction from MHR system preventing data being supplied to WYPF for ABS production. Manual file being produced.	19/07/19: Manual file sent to WYPF on 5 July, WYPF posting data to member records and will assess any issues arising. Until then cannot assess whether ABS deadline can be met. 06/08/19: SP reported that WYPF was confident that all ABS would be produced by 31 Aug deadline. 12/09/19: Deadline for ABS met other than for those in Modified Scheme. 08/10/19: All data provided. 30/10/19: CG confirmed that processes were now in place to generate automated data reports from 70% of the system and to submit these on a monthly basis to WYPF. ACTION CLOSED	30/10/19
08/08/2019	Board	Mike Pearson	Completed	LPB Governance and Effectiveness	TPR Self-Assessment refresh Refresh to be completed during September. AH and PR to join MP and SP to complete this.	13/08/19: Meeting set for 27 September 27/09/19: Self-assessment refresh completed with commentary added to provide evidence that supports assessment. ACTION CLOSED	30/10/2019
18/02/2019	Board	Steve Pope	Completed	Administration and Compliance	Split Pension SP would identify any individuals who received a split pension and may have been paid an incorrect sum by WYPF. Clarity would be sought from WYPF to ensure they held enough data to rectify any errors encountered by the individuals.	08/04/19: One individual had been identified to date with the payment since being corrected. A conversation had been held with WYPF. SP would consider whether this was a reportable breach. 29/05/19: If assessment of whether this is a reportable breach is amber SP to arrange meeting to discuss or discuss via email. 19/07/19: Waiting on WYPF to get report to us. 12/09/19: WYPF has been chased for report. 08/10/19: Report received - don't need to reclaim amounts from pensioners but FRA has had to make repayment to pension fund £150k (for which we will get top up). IDRPs due to meet to consider claims for compensation - legal advice pending. 30/10/19: WYPF had completed review. Adjustments had been made as necessary and the matter had been reported as a breach to the Pensions Regulator. An outstanding case of addressing the final remaining case of underpayment would be dealt with through the IDRPs. ACTION CLOSED	30/10/2019
07/06/2019	FRA	Mike Pearson	Completed	LPB Governance and Effectiveness	LPB Website - Board Members Pensions page on website to be updated to reflect change in number of Board members and changes in appointments.	19/07/19: Change to number of members still outstanding. Change to appointments pending outcome of the two processes. 12/09/19: Appts not yet made. 08/10/19: Website updated to reflect increase in Board members and shows where vacancies are. New appointments will be updated once made. 07/11/19: Website updated with new Terms of Reference indicating change in numbers on the Board and new quorum requirements. Website also amended to include details of new Scheme Member representatives. ACTION CLOSED	07/11/2019

Item 4 - LPB Action Log 2020-03-06 - Completed Actions

Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	Date Closed
06/09/2019	SAB	Steve Pope	Completed	Administration and Compliance	Raising Data Standards GAD request for FRAs to consider/review where improvements to the member data held/provided for valuations could be focussed to enable more data to be included for the 2020 valuation.	12/09/19: Assessment of DSFRS position in hand. 08/10/19: WYPF been asked to advise on data gaps 30/10/19: Advice still awaited on data gaps associated with GAD valuations but initial indications were that this was not a material issue for DSFRS. ACTION CLOSED	30/10/19
30/10/2019	Board	Steve Pope	Completed	LPB Governance and Effectiveness	TPR Annual Survey SP and CG to produce first draft of return for circulation to Board Members for comment via e-mail.	26/11/2019: Draft survey response circulated to LPB for comments 11/12/19: Return submittd by deadline on 29 Nov ACTION CLOSED	11/12/19
26/11/2019	LGA Bulletin 26	Steve Pope	Completed	LPB Governance and Effectiveness	ABS Survey 2019 On-line survey with return deadline of 10 Jan 2020	11/12/19: Survey completed and submitted. ACTION CLOSED	11/12/19



Local Pension Board – Training Log

Updated March 2020

	Conflicts of interest	Managing risk and internal controls	Maintaining accurate member data	Maintaining member contributions	Providing information to members and others	Resolving internal disputes	Reporting breaches of the law
<u>Scheme Manager Reps</u>							
Mike Pearson	November 2017	May 2018	May 2018	November 2017	November 2017	May 2018	November 2017
Amy Webb	November 2019	November 2019	November 2019	November 2019	November 2019	November 2019	November 2019
Councillor George Wheeler	October 2018	October 2018	October 2018	October 2018	October 2018	October 2018	October 2018
Satnam Singh Rai							
<u>Scheme Member Reps</u>							
Andy Hallam	May 2018	May 2018	May 2018	May 2018	May 2018	May 2018	May 2018
Peter Redbourn	November 2019	November 2019	November 2019	November 2019	November 2019	November 2019	November 2019
James Leslie							
Ben Redwood							
<u>Support Officers</u>							
Steve Pope	January 2018	January 2018	January 2018	January 2018	January 2018	January 2018	January 2018
Caroline Gourlay	July 2019	July 2019	July 2019	July 2019	July 2019	July 2019	July 2019
Lisa Etchell							

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DEVON & SOMERSET FIRE & RESCUE AUTHORITY LOCAL PENSIONS BOARD

Updated Pension Correspondence Log – Correspondence received and circulated since last LPB meeting

Date	Description	Purpose	Source	Document
30 October 2019	FPS Bulletin 25 – October 2019	Information Only	Local Government Association	 FPS Bulletin 25 - October 2019.msg
29 November 2019	FPS Bulletin 26 – November 2019	Information Only	Local Government Association	 FPS Bulletin 26 - November 2019.msg
16 December 2019	Firefighters' Pensions Schemes (England) – Factor Guidance Notes	Information and advice that sample calculations are sent to GAD for review	Local Government Association	 Firefighters' Pension Schemes (England) - f
23 December 2019	FPS Bulletin 27 – December 2019	Information Only	Local Government Association	 FPS Bulletin 27 - December 2019.msg
31 January 2020	FPS Bulletin 28 – January 2020	Information Only	Local Government Association	 FPS Bulletin 28 - January 2020.msg
27 February 2020	FPS Bulletin 29 – February 2020	Information Only	Local Government Association	 FPS Bulletin 29 - February 2020.msg
11 March 2020	Spring Budget 2020 – New Lifetime Allowance limit and changes to tapered annual allowance limit with effect from 6 April 2020	Information Only	Local Government Association	 FW Spring Budget 2020.msg

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Agenda Item 6

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DEVON & SOMERSET FIRE & RESCUE AUTHORITY

LOCAL PENSIONS BOARD

DATE OF MEETING	18 March 2020
SUBJECT OF REPORT	SCHEME MANAGER UPDATE
REPORT AUTHOR	Head of Human Resources
EXECUTIVE SUMMARY	This report provides a summary of current pension matters both nationally and locally which have required input from the Service. This report should also be considered in conjunction with the regular monthly Bulletins which are issued by the Firefighters' Pensions Advisory Board.
APPENDICES	A. Home Office – Sargeant Case Fact Sheet

1. INTRODUCTION

- 1.1. This is the update report from the Devon & Somerset Fire & Rescue Authority (the Authority) delegated Scheme Manager for the Authority's Local Pension Board (LPB). The Scheme Manager is defined as being the Fire and Rescue Authority under The Firefighters' Pension Scheme (England) Regulations 2014. However, the Scheme Manager may delegate any functions under these Regulations. The Authority has set out in the Discretions Policy where decisions will need to be taken by the Authority. However, the day-to-day managing and administering of the pension schemes and any statutory scheme that is connected with them, is delegated to the Head of Human Resources.
- 1.2. The LPB provides a number of functions as set out in the Terms of Reference, which include: assisting the Scheme Manager to ensure compliance with the relevant regulations and the efficient and effective management of the pension administration; advising on member communications; and monitoring complaints.
- 1.3. This report provides a summary of current pension matters both nationally and locally and further updates will be provided at subsequent LPB meetings.

2. PENSION SURVEYS & ANNUAL RETURNS

- 2.1. Since the last meeting of the LPB in October 2019, the Pension Regulator's (tPR) Annual Survey has been completion & submitted having previously been shared with LPB members.

3. PENSION COMMUNICATIONS

Annual Benefit Statements (ABS)

- 3.1. There is a legal requirement to provide an Annual Benefit Statement (ABS) to all active members by no later than the 31 August each year, i.e. those who are in pensionable service with the Devon & Somerset Fire & Rescue Service (the Service). This requirement is set out in the Public Service Pensions Act 2013.
- 3.2. There are no further updates with regard to the 2019 ABS. The production of the data required by West Yorkshire Pension Fund (WYPF) for the 2020 statements is scheduled for May 2020.
- 3.3. The last Scheme Manager's report noted that the production of monthly pension data from the iTrent payroll system was working and that reports covering the missing months from April were being produced. This has been done and DSFRS are fully up to date with any required reporting to WYPF.

WYPF My Pension Portal

- 3.4. WYPF's new online My Pension Portal has been launched. WYPF advise that the site will need further work to add in the Fire calculations, and have not provided an estimated timeframe for this work.

4. PENSION PROJECTS

Transition Protection Judgement

- 4.1. Proposals are yet to be finalised centrally in respect of the transitional protection remedy following the Supreme Court's decision to deny the Government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed judges and firefighters pension schemes in 2015 gave rise to unlawful age discrimination.

- 4.2. On 18 December 2019, the Employment Tribunal made an interim order on remedy. It provided that, 'pending the final determination of all of the remedy issues, those that brought claims in England and Wales are entitled to be treated as if they remained in the Firefighters Pension Scheme (FPS) 1992'. The order anticipated that the final determination on that remedy issue in regard to membership of FPS1992 should be resolved around mid-July 2020. It acknowledged that it may be some time after this that this part of the remedy can be put in effect for all claimants.
- 4.3. Fire and Rescue Authorities (FRAs) were asked to ensure that, when dealing with ill-health retirements, the IQMP were asked to assess the applicant under both the FPS 1992 and FPS 2015 rules. FRAs were also asked to identify all applications for ill-health retirement on the FPS 2015 since 1 April 2015 so they were in a position to take steps once Home Office guidance is available.
- 4.4. FPS Bulletin 28 (issued in January 2020) requested FRAs to take some additional immediate action on retrospective ill-health applications. This involves, initially, gaining additional assessment via the Independent Qualified Medical Practitioner (IQMP). Depending on the category the person falls into for ill-health retirement purposes, there were also some additional requirements for a notional annual allowance test and providing a calculation of the benefits that might be provided under the previous scheme for comparison purposes. This is work in progress.
- 4.5. The Home Office produced in December 2019 a factsheet on the Sargeant case. This is attached at Appendix A and has been added to the Service pension pages.

5. REPORTING BREACHES OF LAW

- 5.1. Within the Board's Reporting Breaches Procedure, Section 70 of the Pensions Act 2004 (the Act) is referenced. This requires that, where a person has reasonable cause to believe that:
- (a) a duty which is relevant to the administration of the scheme in question, and is imposed by virtue of an enactment or rule of law, has not been or is not being complied with; and
 - (b) the failure to comply is likely to be of material significance to the Regulator in the exercise of any of its functions
- then they must give a written report on the matter to the Regulator as soon as is reasonably practicable.
- 5.2. There have been no breaches reported since the last Local Pension Board meeting. My last report noted reportable breaches in respect of the delay in sending out the Annual Benefit Statements for the modified scheme and also to a matter where there was misapplication of the rules in relation to split pensions.
- 5.3. The Pension Regulator did respond to these reported breaches. With regard to the APR delay, tPR sought further information to assist them in determining whether regulatory intervention was appropriate. Since the breach had been rectified and on the basis of the information provided, tPR confirmed that they did not intend to take any enforcement action at this time, in relation to this breach of law. They did however note that the failure to provide eligible scheme members with an ABS may affect their confidence in the Scheme as well as their ability to plan and make decisions about their retirement. It is also indicative of possible wider governance and administrative failings.

5.4. In relation to split pension issue tPR confirmed that they would take no further action based on the information provided since the matter had now been resolved.

6. INTERNAL DISPUTE RESOLUTION

6.1. Within the Firefighters' Pension Scheme formal complaints are made via the Internal Disputes Resolution Procedure. There have been no new complaints under this procedure since the last Local Pension Board meeting and the previous live case at Stage 2 which has been heard by Authority Members has been resolved.

6.2. Information concerning the Internal Disputes Resolution process is available via the Service web page along with links to the information on the WYPF website.

7. PENSION ADMINISTRATOR QUALITY OF SERVICE

7.1. The client service that WYPF provides continues to be to of a reasonable standard and it is recognised that WYPF is working hard to ensure that clients receive the best possible service. One complaint regarding lack of response on KPI reporting was escalated to the contract escalation point at Bradford City Council, upon which it was resolved satisfactorily. Errors in calculation of senior officer pension entitlement have also been noted and this will be considered internally before escalation.

7.2. The last report referred to discussions which had been held with WYPF resulting in agreement to feedback on the KPIs agreed under the contract to ensure that:

- (a) all agreed KPIs are reported;
- (b) it will be made clear where indicators will only be reported by exception (eg rare cases); and
- (c) consideration is given to the use of performance trend analysis to add further value to the report.

7.3. The above was introduced in the February 2020 monthly report and Authority officers will continue to discuss how reporting can be improved.

8. RECRUITMENT OF INDEPENDENT CO-OPTED MEMBER OF THE LPB

8.1. Since the last meeting, Satnam Singh Rai has been recruited as an independent Co-opted member of the board.

STEVEN POPE
Head of Human Resources

Home Office – Sargeant fact sheet

Background

CARE Schemes

In 2014 or 2015 all main public service pensions, including the firefighters' scheme, were reformed to provide defined benefits on a career-average basis.

In a career average scheme, members build up pension each year based on a percentage of their pensionable earnings and this is added to their pension account. The pension account contains the pension built up in previous years and is revalued each year. When a member retires, the total built up in your pension account is received as an annual pension. This is called Career Average Revalued Earnings (CARE).

Reforms were made that reflected the recommendations of Lord Hutton's Independent Public Service Pensions Commission, which produced its final report in March 2011, and were intended to make public sector pensions affordable and sustainable in the long term.

Transitional Protection

In all the main public service CARE schemes introduced in 2015, those closest to their scheme's Normal Pension Age (NPA), which is when a member could choose to retire with an unreduced pension, were given 'full' transitional protection. In practical terms this meant that those within 10 years of their NPA as at April 2012 were allowed to remain in their current scheme.

In most of these schemes those who were between 10 and 14 years from normal retirement age were given 'tapered' transitional protection, meaning they did move to the new 2015 scheme, but at a later date than those members who were not afforded transitional protection.

McCloud/Sargeant

Two claims were brought, one against the judges' pension scheme (the *McCloud* case), the other against the firefighters' pension scheme (the *Sargeant* case) claiming that transitional arrangements were discriminatory on the basis of age, sex and race. The claims were heard together.

The Court of Appeal determined, amongst other things that transitional protection gave rise to unlawful age discrimination in the judges' and firefighters' pension schemes. The Supreme Court refused the Government's application for permission to appeal, meaning that the Court of Appeal decision stands.

On 15 July 2019 the Chief Secretary to the Treasury made a written ministerial statement (HCWS1725) confirming that, as 'transitional protection' was offered to members of all the main public service pension schemes, the government believes that the difference in treatment will need to be remedied across all those schemes. The statement set out that government, alongside the Employment Tribunal process, will also engage with employer and member representatives, and the devolved administrations, to help inform proposals to the Tribunal and in respect of the other public service pension schemes.

A case management hearing was scheduled for 18 December 2019 in the *Sargeant* case, with a view to setting out the procedural steps to appropriately implement the Court of Appeal decision.

1. What happened at the Firefighters' case management hearing on the 18 December?

The Court of Appeal determined in its judgment in *Sargeant* that the transitional provisions in the Firefighters' pension schemes resulted in direct age discrimination between:

- a) those who were members of the old scheme (the Firefighters' Pension Scheme 1992) ("FPS") and were fully transitionally protected by remaining in that Scheme after 31st March 2015 as a result of being an active member under the 1992 Scheme on 31st March 2012,
- b) those who were members of the FPS as at 31st March 2012 and were not treated as fully transitionally protected and moved to the new English Firefighters' Pension Schemes after 31st March 2015,

In the light of this, the Tribunal in the *Sargeant* case gave an interim declaration that the claimants (who all fell in within category (b)) are entitled to be treated as if they had been given full transitional protection and had remained in their current scheme after 1 April 2015.

The Government intends to extend the same treatment to all members of the public service pension schemes (whether claimants or not) who are in the same legal and factual position as the claimants.

The Government is also aware that many non-protected members may be better off in the new career average pension arrangements than they would have been in the old pre-2015 pension schemes and would suffer a detriment if they simply moved back to the old schemes. It is therefore the government's intention to ensure that such persons can keep the benefits they have accrued and making the required changes to the public service pension schemes will take time.

2. Changes to the Firefighter Pension Schemes

The difference in treatment will in due course be removed for all members with relevant service across all the main public service pension schemes – not just those who have lodged legal claims. Any solution will need to ensure that all members can instead keep the pensions they have earned to date.

The Government will be launching a public consultation on changes to the schemes and before that will hold a series of technical discussions with stakeholders. This will progress alongside the remedy directed by the Tribunals in the *Sargeant* case.

For the Firefighters' pension scheme, some members are likely to have been better off remaining in their old scheme, while others may benefit more from the new scheme – that will depend on the individual circumstances of affected members. Any changes to the scheme must take account of this in order to ensure members can keep benefits they have already accrued.

Technical discussions will be held with the Firefighters' Pensions Scheme Advisory Board (SAB). The SAB comprises members of the Fire Brigade's Union, Fire and Rescue Services Association, the Fire Officers' Association and the Fire Leaders' Association as well as employer representatives.

These discussions will consider changes to the scheme which are necessary:

- in order to remove discriminatory provisions from the public service pension schemes for non-claimants; and

- to ensure individuals can keep benefits they have accrued regardless of changes needed to remove discrimination, for example if they would have been better off in the new scheme.

Following these discussions, the Government will formally consult on its proposals, providing a further opportunity for input.

3. What about ill-health retirees and those who have already retired?

The Government is committed to urgently addressing the position of scheme members who have been ill-health retired or have already retired from the 2015 scheme. Changes of this nature require time to implement and the Home Office will provide further detail in due course. Please contact your FRA if you are an affected claimant.

4. Does the McCloud/Sargeant judgment increase the costs of public service pensions?

Initial estimates suggest removing the difference in treatment the discrimination will add around £4bn per annum to scheme liabilities across the public services from 2015.

The underlying aims of the 2015 reforms remain: public service pensions are and will continue to be a significant cost for the taxpayer. The McCloud/Sargeant judgment does not alter the government's commitment to ensuring that the cost of public service pensions is both affordable for taxpayers and sustainable for the long term.

5. Will the additional cost of removing the difference in treatment be borne by employers?

The most recent valuation process set employer contribution rates until 2023. The next valuation will assess scheme costs in the round, in the usual way, and will set employer contribution rates from 2023. There are numerous factors that could affect the valuations between now and then, of which the McCloud ruling is just one.

It is too early to say whether employer contribution rates will increase from 2023. If deficits do emerge in the scheme, they will need to be paid off over the deficit recovery period in the usual way.

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Agenda Item 8

Item 8 - Local Pensions Board - Register of Appointments

		From	To	From	To
ER1	Mike Pearson	20/02/2015	07/06/2019	07/06/2019	01/06/2023
ER2	Kevin Woodward	20/02/2015	01/11/2017		
ER2	Amy Webb	01/11/2017			01/06/2022
ER3	Ray Radford	14/12/2015	31/05/2017		
ER3	Brian Greenslade	12/06/2017	05/07/2018		
ER3	George Wheeler	30/07/2018			01/06/2021
ER4	Satnam Singh Rai	19/12/2019			01/06/2024
EE1	Bob Walker	24/07/2015	03/09/2019		
EE2	Peter Redbourn	24/07/2015			01/06/2020
EE3	Andy Hallam	09/08/2016			01/06/2021
EE1	James Leslie	17/10/2019			01/06/2024
EE4	Ben Redwood	17/10/2019			01/06/2024

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Item 9 - LPB Risk Register v1.00 2019-11

Ref	Context/Causational trigger	Hazard (anything that may cause harm)	Impact (who/what may be harmed and how)	Gross Impact	Gross Likelihood	Gross Risk Score	Controls in place	Net Impact	Net Likelihood	Net Risk Score	Further controls required	Target Impact	Target Likelihood	Target Risk Score	Control Owner	Risk Owner
LPB001	Cyber attack	Complete loss of systems	Catastrophic loss of capability	5	4	20	1. Technological security tested in recent Pen Test 2. Cyber attack plan 3. BC plans (incl ICT) 4. Staff awareness	4	3	12	5. Additional comms to staff 6. BC exercise 2 Dec 2019 7. Evidence of BC plan for WYPF	3	3	9	1. Head of ICT 2. Head of HR	Mike Pearson
LPB002	System failure	Temporary loss of systems	Systems unavailable until recovered and potential loss of data	4	3	12	1. BC Plan (incl ICT) 2. Departmental BC plans reviewed	3	3	9	4. Additional comms to staff 5. BC exercise 2 Dec 2019 6. Evidence of BC plan for WYPF	3	3	9	1. Head of ICT	Mike Pearson
LPB003	Power supply failure	Temporary loss of systems	Systems unavailable until recovered	3	3	9	1. BC Plan (incl ICT, HR & Finance) 2. Departmental BC plans reviewed 3. Access to alternative locations 4. Back-up generator available	2	3	6	None at this time	2	3	6	1. Head of HR 2. Head of Finance 3. Head of ICT 4. Head of Estates	Amy Webb
LPB004	Loss of premises	Loss of utilities or access to premises due to industrial action	Inability for staff to undertake work	3	3	9	1. BC Plan (incl ICT) 2. Departmental BC plans reviewed 3. Access to alternative locations and working from home	2	3	6	None at this time	3	2	6	1. Head of HR 2. Head of Finance 3. Head of ICT	Amy Webb
LPB005	Member data incomplete or inaccurate	Incorrect pension calculations and Annual Benefit Statements and incorrect reporting to Home Office and The Pension Regulator	Pensioners may receive incorrect pensions Breaches of pension regulations	3	4	12	1. Payroll data for active members is provided by Pay & Conditions on a monthly basis to WYPF 2. Active members, deferred members and pensioners have an online account and can check their information 3. A data reconciliation exercise has been undertaken with GAD. 4. Address data cleanse completed annually and any address found to be incorrect or not known are investigated using a tacing agency.	2	2	4	None at this time	2	2	4	1. Head of HR	Steven Pope
LPB006	Administration process failure/maladministration	Pension administration not undertaken to the required standard	Pensioners may receive incorrect pensions Breaches of pension regulations	3	4	12	1. Pension SLA in place with KPIs 2. Scheme of delegation in place 3. Regular communication with administrator 4. WYPF have significant experience of administering a number of Fire Authorities. 5. Within P&C, we have a settled team who are competent in role.	2	2	4	6. Trendlines within WYPF monthly reports for key measures 7. WYPF to report on the agreed KPIs 8. Review Pension Administrator's audit reports	2	2	4	1. Head of Finance 2. Head of HR	Amy Webb
LPB007	Annual Benefit Statement (ABS) not produced in time	There are required deadlines for a pension administrator to complete the Annual Benefit Statements in line with required timescales by TPR.	ABS not received by member and likely to be a reportable breach	3	4	12	1. Pension data from P&C now available on a monthly basis including yearend data	2	2	4	2. WYPF developing an automated system for ABS statements for the Modified Pension Scheme	2	2	4	1. Head of HR	Steven Pope
LPB008	Excessive charges by Pension Administrator	Unplanned increases in charges	Additional pressure on the budgetary efficiency of the Service	3	4	12	1. Contracts are controlled by OJEU rules and the contract is subject to renewal on a 5 year basis with the option for an extension for 1-2 years. 2. Contract prices and any adhoc scenarios where additional charges may be incurred are included in the contract terms.	2	2	4	None at this time	2	2	4	1. Head of Finance	Amy Webb
LPB009	Officers or Members acting outside of delegated responsibility	Officers or Members either deliberately or unknowingly acting outside of their delegated responsibility	Additional financial implications for the pension schemes or breach of the pension regulations	3	4	12	1. Authority Members have agreed an approved Scheme of Delegation and financial limits for decisions associated with the pensions. 2. A Discretions Policy is in place. 3. Officers are competent in pension matters and receive CPD training 4. Support and advice is available through the WYPF Client Manager and the LGA Pension Advisors	2	2	4	None at this time	2	2	4	1. Dem Services Manager	Mike Pearson
LPB010	Employer fails to deduct correct pension contributions from members	Incorrect pension contribution being recorded and collected	Active pensioners and DSFRS have to backdate pension contribution arrears	3	4	12	1. Pension deductions and rules are set within the payroll system based on earnings 2. New joiners are entered into the applicable pension scheme 3. Staff who have opted-out are auto-enrolled into the applicable pension scheme unless they opt-out again 4. Reconciliation of deduction carried out by Finance on a monthly basis 5. Internal audit review deductions as part of audit scope	2	2	4	None at this time	2	2	4	1. Head of Finance	Amy Webb
LPB011	Failure by the Pension Administrator to interpret rules or legislation correctly	Incorrect pension calculations and estimates	Incorrect pensions received and either backdated employer and employee contributions required or overpayments collected.	3	4	12	1. Regular attendance at pension training and update events by WYPF. 2. Regular monitoring of key sources of information e.g. LGA Bulletins, Scheme Advisory Board. 3. DSFRS have regular client meetings with WYPF and scrutinise pension changes	2	2	4	None at this time	2	3	6	1. Head of HR	Steven Pope

Item 9 - LPB Risk Register v1.00 2019-11

Ref	Context/Causational trigger	Hazard (anything that may cause harm)	Impact (who/what may be harmed and how)	Gross Impact	Gross Likelihood	Gross Risk Score	Controls in place	Net Impact	Net Likelihood	Net Risk Score	Further controls required	Target Impact	Target Likelihood	Target Risk Score	Control Owner	Risk Owner
LPB012	Annual Statutory Accounts criticised by external auditors / The Pension Regulator	Major issues exist with the Management and Administration, and/or accounting for the Firefighter Pension Schemes	Reputational damage to the Service. Dissatisfaction from staff in the service they receive.	3	4	12	1. Trained, experienced officers produce the accounts to a detailed timescale. 2. Pension data for the accounts is provided by the Governments Actuary Departments (GAD). 3. Advice available from the Fire Finance network, LGA and Pension Administrator	2	2	4	None at this time	2	2	4	1. Head of Finance	Amy Webb
LPB013	Failure to communicate with staff concerning significant changes to pension arrangements	Pension members not receiving correct information	Members could make key pension decisions with inadequate information available to them	3	4	12	1. Regular attendance at LGA pension training events. 2. Regular monitoring of key sources of information e.g. LGA Bulletins, Scheme Advisory Board. 3. Client meetings with WYPF and scrutiny of pension changes	2	3	6	1. Ensure information on the impact of promotions to the Annual Allowance is made clear to staff.	1	2	2	1. Head of HR	Steven Pope
LPB014	Court of Appeal decision on unlawful discrimination from Transitional arrangements for transfer from the 1992 to 2015	The case will be remitted back to the ET for remedy	Significant pension administration in making back-dated adjustments to pensions	3	5	15	1. Employers will be represented at the ET	3	5	15	None at this time	2	5	10	1. Head of HR 2. Head of Finance	Amy Webb

Devon and Somerset Fire and Rescue Authority

LOCAL PENSION BOARD - TERMS OF REFERENCE

Statement of Purpose

1. The purpose of the Board is to assist Devon and Somerset Fire and Rescue Authority (the Authority) in its role as a scheme manager of the Firefighters Pension Scheme. Such assistance is to:
 - (a) secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme; and
 - (b) ensure the effective and efficient governance and administration of the Scheme.

Duties of the Board

2. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should:
 - (a) act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
 - (b) demonstrate standards of conduct based on the seven “Nolan” Principles of Public Life, modified accordingly and as appended to this document.
 - (c) be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

Membership

3. The Board will comprise an equal number of employer and member representatives with a minimum requirement of no less than four in total.
 - (a) **Member representatives**
 - i) Four member representatives shall be appointed to the Board.
 - ii) Member representatives shall either be members of the scheme administered by the Authority or have experience of representing pension scheme members in a similar capacity.
 - (b) **Employer representatives**
 - i) Four employer representatives shall be appointed to the Board
 - ii) Employer representatives shall be Members of the Devon & Somerset Fire & Rescue Authority or senior officers of the Authority, or have experience of representing scheme employers in a similar capacity. Officers of the Authority with delegated responsibility for discharging the scheme manager function of the Authority may not serve as employer representatives.

- iii) Employer representatives shall be appointed by the Authority in a manner which it considers best promotes the purpose of the Board.

(c) Other invitees

- i) The Board reserves the right to appoint advisers at its discretion. In the first instance, this will be a representative of West Yorkshire Pension Fund, to attend meetings as requested by the Board;
- ii) Any other appointments shall have regard to the best interests of the purpose of the Board.

(d) Appointment of Chairman

- i) The Board will appoint a Chair from its members annually at the first meeting of the Board following the Authority's Annual Meeting.
- ii) The duties of the Chair should be in accordance with the duties of a Chair within the Authority.

- 4. Substitute representatives are not permitted because of the nature of the Board, the need for appropriate knowledge and skills and the management of conflicts of interests.

Notification of appointments

- 5. On appointment to the Board, the Authority shall publish the name of the appointees, the process followed in the appointments together with the way in which the appointments support the effective delivery of the purpose of the Board.

Conflicts of interest

- 6. All members of the Board must declare to the Authority on appointment, and at any such time as their circumstances change, any potential conflict of interest arising as a result of their position on the Board.
- 7. On appointment to the Board and following any subsequent declaration of potential conflict the Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Authority and the requirements of the Pensions Regulator's Codes of practice 14: Governance and administration of public service pension schemes.

Knowledge and understanding (including Training)

- 8. Knowledge and understanding must be considered in light of the role of the Board to assist the Authority in line with the requirements outlined in section 2 above. The Board should establish and maintain a policy and framework to address the knowledge and understanding requirements that apply to Board members. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.

9. Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.
10. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Term of Office

11. The term of office for Board Members will be four years, with two positions on the Board (ideally one employer and one member representative) being subject to appointment every year so as to maintain continuity of knowledge and experience.
12. To maintain continuity of knowledge and experience built up by the inaugural members of the Board, after the first four years only two positions will be considered for appointment, i.e. year 5 is first new appointment process, year 6 is second new appointment process etc. This will have the potential effect that two Board members could serve for five years and a further two for 6 years before their initial term ends.
13. There will be no restriction on existing Board Members being re-appointed to the Board following the end of their initial (or subsequent) term of office.
14. Board membership may be terminated prior to the end of the term of office in the event of:
 - (a) A member representative appointed on the basis of their membership of the scheme no longer being a member of the scheme;
 - (b) A member representative no longer being a member of the body on which their appointment relied;
 - (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;
 - (d) The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.

Notice Periods

15. Except at the end of their term of office, Board members are to give three months' notice of their resignation from the Board.

Meetings

16. The Board shall meet quarterly.
17. The Chair of the Board may call additional meetings subject to giving appropriate notice in light of the matter(s) to be considered. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Quorum

18. The total number of members required to be present for a meeting to be quorate is 50% of the total membership (i.e. four attendees), to comprise at least one employer and one member representative.

Voting

19. The Chair shall determine when consensus has been reached.
20. Where consensus is not achieved this should be recorded by the Chair.

Support for Core Functions

21. In support of its core functions the Board may:
 - (a) make a request for information to a relevant officer of the Authority with regard to any aspect of the scheme manager function. Any such a request should be reasonably complied with in both scope and timing; and
 - (b) make recommendations to the Authority, which should be considered and a response made to the Board on the outcome within a reasonable period of time.

Reporting

22. The Board will produce an annual report for the Authority. The report will: highlight any areas of concern; provide details of any statutory breaches; identify any improvements required and highlight good practice.
23. The annual report will also include information on the number of retirements (natural and ill health), new starters, membership numbers and 'opt out' numbers.

Interpretation

24. In these terms:
 - (a) 'the Scheme' means the Firefighters' Pension Scheme; and

- (b) 'Regulations' means the Firefighters' Pension Scheme 1992 (as amended), the Firefighters' Pension Scheme 2006 (as amended) and the Firefighters' Pension Scheme Regulations 2014 (as amended) and includes the Pension Regulators Codes of Practice (as they apply to the Scheme Manager and Pension Board) and any other relevant legislation applying to the Scheme.

APPENDIX A TO LOCAL PENSIONS BOARD TERMS OF REFERENCE

STANDARDS OF CONDUCT

The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members:

- (a) Should act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
- (b) Should demonstrate standards of conduct based on the seven “Nolan” Principles of Public Life (modified accordingly below) and consistent with the Core Values of the Devon & Somerset Fire & Rescue Service (as set out at Appendix B).

1. Selflessness

The Board should act solely in terms of assisting the Scheme Manager to discharge its obligations under the various pension legislation or regulations as may be in force. They should not act in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity

The Board members must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work.

3. Objectivity

The Board must act and make recommendations impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

The Board members are accountable to the Devon & Somerset Fire & Rescue Authority (as Scheme Manager) for their actions and must submit themselves to any scrutiny requirements as may from time to time be required by the Authority.

5. Openness

The Board members should act in an open and transparent manner.

6. Honesty

The Board members should be truthful.

7. Leadership

The Board members should demonstrate and promote the above principles by leadership and example.

APPENDIX B - DEVON & SOMERSET FIRE & RESCUE SERVICE CORE VALUES

WE ARE PROUD TO HELP



We show this by...

- Doing what we say we will do and seeing things through to the end
- Demonstrating high standards
- Working hard and doing our best to get the right outcomes
- Being motivated, keen and willing to give things a go

WE ARE HONEST



We show this by...

- Being open, clear, and realistic
- Admitting and learning from mistakes
- Showing trust and being trustworthy
- Being responsible and accountable

WE ARE RESPECTFUL



We show this by...

- Being consistent and giving credit where it's due
- Always being polite, considerate and treating people fairly
- Genuinely listening, involving and engaging others
- Being inclusive to all

WE ARE WORKING TOGETHER



We show this by...

- Understanding others needs and appreciating their demands
- Positively challenging, sharing ideas and giving feedback
- Supporting others and giving practical help and advice
- Being willing to adapt and change to get the best results

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Devon and Somerset Fire and Rescue Authority Pensions – Roles and Responsibilities

Scheme Manager (the Authority – delegated to Head of HR)

Role

Overall responsibility for the scheme. Scheme Manager may delegate specific activities or functions to other parties, such as administrators. However, it remains accountable for complying with the law and the overall management and administration of their scheme.

Responsibilities

- Ensure compliance with scheme regulations and other legislation.
- Manage risks and ensure there are adequate internal controls.
- Ensure that pension board members don't have conflicts of interest.
- Put in place effective dispute resolution procedures.
- Keep records and ensure the quality of member data.
- Communicate information to members including benefit statements.
- Publish information on Local Pension Board
- Meet employer duties related to automatic enrolment.
- Pay contributions in line with requirements in scheme regulations.
- Report late payment of contributions.
- Keep and provide data to administrator.
- Meet the Pensions Regulator's reporting requirements, e.g. completing scheme returns.
- Report breaches to the Pensions Regulator where required.

Administrator

Role

Carry out day-to-day functions of running the scheme for the Scheme Manager.

Responsibilities

- Keep records
- Collect contributions.
- Pay net benefits to members.
- Calculate deductions as appropriate and report these to HMRC
- Report breaches to the Pensions Regulator where required

Local Pension Board

Role

To assist the Scheme Manager.

Responsibilities

- To help the scheme manager to comply with Scheme regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme.
- To help the Scheme Manager ensure the effective and efficient governance and administration of the Scheme.
- To report breaches of the law to the Pensions Regulator.
- To provide assurance to the Scheme Manager on pensions administration, including monitoring of KPIs.
- To ensure that Board members have requisite knowledge and understanding of: scheme rules; documents setting out scheme administration; policies; and pension law.
- To produce an Annual Report for the Authority.

Local Pension Board Members

Role

At all times act in a reasonable manner in the conduct of the Board's purpose.

Responsibilities

- Act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
- Demonstrate standards of conduct based on the seven "Nolan" Principles of Public Life, modified accordingly and as appended to this document.
- Demonstrate capacity to attend (and complete the necessary preparation for) Board meetings.
- Commit to developing the requisite knowledge and understanding of: scheme rules; documents setting out scheme administration; policies; and pension law and participate in training as required.
- To declare potential conflicts of interest

Local Pension Board Chair

Role

To plan each meeting effectively and to conduct them according to the constitution; ensuring that matters are dealt with in an orderly and efficient manner; and that there is full participation during meetings.

Responsibilities

- To ensure that all Board members show due respect for process, that all views are heard and considered and that decisions on recommendations are democratically made where consensus cannot be reached.
- To uphold and promote the purpose of the Board and to interpret its Terms of Reference when necessary.
- To ensure that Board members have the knowledge and skills to undertake the role, and maintain a training record.
- To ensure that Board members record conflicts of interest.
- To arrange professional advice for the Board as required, subject to agreement by the Clerk to the Authority.
- To agree the agenda and approve the minutes for Board meetings.
- To write reports as required by the Authority on the work of the Board.
- To annually review the performance of the Board and complete an Annual Report for the Authority.
- The decision of the Chair on all points of procedure, order and the Terms of Reference shall be final.

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The Pensions Regulator
Public Service Governance and Administration Survey 2019

This document is intended to be used as a guide to help you gather the information required for the survey. Please note, however, that we need you to complete the questionnaire through the online survey link contained in your invitation email.

Thank you for taking the time to complete this survey. Please answer the questions in relation to the scheme referenced in your invitation email. Where the scheme is locally administered, we mean the sub-scheme or fund administered by the local scheme manager.

Your responses will be kept anonymous unless you consent otherwise at the end of the survey. Linking your scheme name to your answers will help inform The Pensions Regulator’s (TPR’s) engagement with you in the future.

This survey should be completed by the scheme manager or by another party on behalf of the scheme manager. They should work with the pension board chair to complete it, and other parties (e.g. the administrator) where appropriate.

There is a space at the end of the survey to add comments about your answers where you feel this would be useful.

SECTION A – GOVERNANCE

The first set of questions is about how your pension board works in practice.

A1. EVERYONE TO ANSWER

Does your scheme have a documented policy to manage the pension board members’ conflicts of interest?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don’t know

A2. EVERYONE TO ANSWER

Does your scheme maintain a register of pension board members’ interests?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don’t know

A3. EVERYONE TO ANSWER

Focusing on the scheme’s pension board meetings in the last 12 months, please tell us the following:

Please write in the number for each of a-c below

- a) Number of board meetings that were scheduled to take place (in the last 12 months)4.....
- b) Number of board meetings that actually took place (in the last 12 months)4.....
- c) Number of board meetings that were attended by the scheme manager or their representative (in the last 12 months)3.....

A4. EVERYONE TO ANSWER

Do the scheme manager and pension board have sufficient time and resources to run the scheme properly?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

A5. EVERYONE TO ANSWER

Do the scheme manager and pension board have access to all the knowledge, understanding and skills necessary to properly run the scheme?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

A6. EVERYONE TO ANSWER

How often does the scheme manager or pension board carry out an evaluation of the knowledge, understanding and skills of the board as a whole in relation to running the scheme?

Please select one answer only

- 1. At least monthly
- 2. At least quarterly
- 3. At least every six months
- 4. At least annually
- 5. Less frequently
- 6. Never
- 7. Don't know

A7. EVERYONE TO ANSWER

On average, how many hours of training per year does each pension board member have in relation to their role on the pension board?

Please write in the number below

.....9..... hours per year (based on 1 day CPD per year) plus 1 hr for elearning refresher training. We could in future keep a precise record

A8. EVERYONE TO ANSWER

Does the pension board believe that in the last 12 months it has had access to all the information about the operation of the scheme it has needed to fulfil its functions?

Please select one answer only

- 1. Yes
- 2. No
- 3. Don't know

A9. EVERYONE TO ANSWER

Is the pension board able to obtain sufficient specialist advice on the following matters when it needs to?

<i>Please select one answer per row</i>	Yes	No	Don't know
a) Administration	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Cyber security	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

c) Legal

A10. EVERYONE TO ANSWER

Focusing on the composition of your pension board, please tell us the following:

Please write in the number for each of a-d below

- a) Number of **current** board members7.....
- b) Number of **vacant** positions on the board1.....
- c) Number of members that have **left** the board in the last 12 months1.....
- d) Number of members that have been **appointed** to the board in the last 12 months2.....

A11. EVERYONE TO ANSWER

Does the scheme have a succession plan in place for the members of the pension board?

Please select one answer only

1. Yes (Our ToR refer to a period of office which is staggered)
2. No
3. Don't know

A12. EVERYONE TO ANSWER

Has the scheme manager delegated the responsibility for making the day-to-day decisions needed to run the scheme to another person?

Please select one answer only

1. Yes (The Fire Authority are the Scheme Mgr whereas the Head of HR is the delegated Scheme Mgr)
2. No
3. Don't know

SECTION B – MANAGING RISKS

The next set of questions is about managing risks.

B1. EVERYONE TO ANSWER

Does your scheme have its own documented procedures for assessing and managing risk?

Please **select 'No' if your scheme relies on your local authority's documented procedures** for assessing and managing risk.

Please select one answer only

1. Yes
2. No The LPB uses the Service's procedures
3. Don't know

B2. EVERYONE TO ANSWER

Does your scheme have its own risk register?

Please select **'No' if your scheme relies on your local authority's risk register.**

Please select one answer only

1. Yes

2. No
3. Don't know

B3. EVERYONE TO ANSWER

In the last 12 months, how many pension board meetings reviewed the scheme's exposure to new and existing risks?

Please write in the number below

.....**2**.....

B4. EVERYONE TO ANSWER

To what do the top three governance and administration risks on your register relate? If you do not have a risk register, please tell us to what the top three governance and administration risks facing your scheme relate.

Please select up to three options below

1. Funding or investment
2. Record-keeping (i.e. the receipt and management of correct data)
3. Guaranteed Minimum Pension (GMP) reconciliation
4. Securing compliance with changes in scheme regulations
5. Production of annual benefit statements
6. Receiving contributions from the employer(s)
7. Lack of resources/time
8. Recruitment and retention of staff or knowledge
9. Lack of knowledge, effectiveness or leadership among key personnel
10. Poor communications between key personnel (board, scheme manager, administrator, etc.)
11. Failure of internal controls
12. Systems failures (IT, payroll, administration systems, etc.)
13. Cyber risk (i.e. the risk of loss, disruption or damage to a scheme or its members as a result of the failure of its IT systems and processes)
14. Administrator issues (expense, performance, etc.)
15. Other (please specify):Court of appeal decision re: FPS1992 & FPS 2015
16. Don't know

SECTION C – ADMINISTRATION AND RECORD-KEEPING PROCESSES

The next set of questions is about administration and record-keeping.

C1. EVERYONE TO ANSWER

Does the scheme have an administration strategy?

Please select one answer only

1. Yes (The strategy has been based on procurement requirements that the FPS should be externally administered and subject to a tender process)
2. No
3. Don't know

C2. EVERYONE TO ANSWER

Which of the following best describes the scheme's administration services?

Please select one answer only

1. Delivered in house
2. Undertaken by another public body (e.g. a county council) under a shared service agreement or outsource contract
3. Outsourced to a commercial third party
4. Other
5. Don't know

C3. EVERYONE TO ANSWER

Which of the following do you use to measure the performance of your administrators (whether in-house or outsourced)?

Please select all the options that apply (Can we obtain the contract KPIs from procurement?)

1. Performance against a service level agreement or service schedule
2. Member satisfaction ratings
3. 'Right first time' statistics
4. Testing the accuracy of calculations
5. Analysis of errors
6. Complaints volumes and trends
7. Volumes of rework required
8. Assessing project delivery against initially agreed time and cost
9. Benchmarking against the market
10. Auditing administration functions and systems
11. None of these
12. Don't know

C4. EVERYONE TO ANSWER

To what extent are the following processes automated?

A process is automated if it is completed through the use of technology, for example through a software platform, with minimal human intervention.

Please select one answer per row

	Fully automated	Mainly automated with some manual intervention	Mainly done manually	All done manually	Don't know
a) Verification and input of employer data	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Reconciliation of contributions	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Reporting – data quality	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Reporting – complaints and issues	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Benefit value calculations	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Transfer value calculations	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Production of benefit statements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Monitoring workload and resourcing	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

C5. EVERYONE TO ANSWER

What, if any, barriers do you face to automating more of the scheme's processes?

Please select all the options that apply

1. Lack of suitable technology
2. Difficulty in integrating it with the scheme's existing systems
3. The initial set-up costs involved
4. Securing the necessary internal approval
5. Internal resistance to (further) automation
6. Lack of knowledge/expertise about how to implement this
7. Poor quality of the data
8. Other (please specify): **Time constraints & Resource issues**
9. No barriers to automating more of the scheme's processes
10. Don't know

C6. EVERYONE TO ANSWER

In the last 12 months, how many pension board meetings had administration as a dedicated item on the agenda?

Please write in the number below

.....**4**.....(We have the monthly reports from WYPF)

C7. EVERYONE TO ANSWER

Do you have processes in place to monitor scheme records for all membership types on an ongoing basis to ensure they are accurate and complete?

Please select one answer only

1. **Yes Monthly and yearend reports to WYPF and Annual Return report to tPR with common and scheme specific data accuracy**
2. No
3. Don't know

C8. EVERYONE TO ANSWER

Does the scheme have an agreed process in place with the employer(s) to receive, check and review data?

Please select one answer only

1. **Yes Monthly and yearend reports to WYPF**
2. No
3. Don't know

C9. EVERYONE TO ANSWER

Is your scheme single employer or multi-employer?

Please select one answer only

1. **Single employer scheme (i.e. used by just one employer) The firefighters pension scheme is a single employer scheme, this is because the scheme manager is the Fire Authority as the sole employer. The LGPS is a multi-employer scheme because the administrating authority is the scheme manager not the employers.**
2. Multi-employer scheme (i.e. used by several different employers)

C10. ANSWER IF SINGLE EMPLOYER SCHEME (C9=1)

Does your participating employer...

Please select one answer per row

	Yes	No	Don't know
a) Always provide you with timely data?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Always provide accurate and complete data?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Submit data to you monthly?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Submit data to you electronically?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

C11. ANSWER IF MULTI-EMPLOYER SCHEME (C9=2)

What proportion of your scheme's employers...

Please write in the percentage (from 0% to 100%) for each of a-d below. If you do not know exactly, please give an approximate percentage.

- a) Always provide you with timely data? %
- b) Always provide accurate and complete data? %
- c) Submit data to you monthly? %
- d) Submit data to you electronically? % it would seem that this question is for the administrator

C12. EVERYONE TO ANSWER

Does the scheme have a process in place for monitoring the payment of contributions?

Please select one answer only

- 1. Yes (via finance)
- 2. No
- 3. Don't know

C13. EVERYONE TO ANSWER

Does the scheme have a process in place for resolving contribution payment issues?

Please select one answer only

- 1. Yes (will be the Internal Disputes Resolution procedure if required.)
- 2. No
- 3. Don't know

SECTION D – CYBER SECURITY

The next set of questions is about your scheme's cyber security.

D1. EVERYONE TO ANSWER

Which, if any, of the following controls does your scheme have in place to protect your data and assets from 'cyber risk'?

By 'cyber risk' we mean the risk of loss, disruption or damage to a scheme or its members as a result of the failure of its information technology systems and processes.

Please select all the options that apply

1. Roles and responsibilities in respect of cyber resilience are clearly defined and documented
2. Cyber risk is on the risk register and regularly reviewed
3. Assessment of the vulnerability to a cyber incident of the key functions, systems, assets and parties involved in the running of the scheme
4. Assessment of the likelihood of different types of breaches occurring in the scheme
5. Access to specialist skills and expertise to understand and manage the risk
6. System controls (e.g. firewalls, anti-virus and anti-malware products and regular updates of software)
7. Controls restricting access to systems and data
8. Critical systems and data are regularly backed up
9. Policies on the acceptable use of devices, passwords and other authentication, and on home and mobile working
10. Policies on data access, protection, use and transmission which are in line with data protection legislation and guidance
11. An incident response plan to deal with any incidents which occur
12. The scheme manager has assured themselves of third party providers' controls (including administrators)
13. The scheme manager receives regular updates on cyber risks, incidents and controls
14. The pension board receives regular updates on cyber risks, incidents and controls
15. None of these
16. Don't know

D2. EVERYONE TO ANSWER

Have any of the following happened to your scheme, including at your administration provider, in the last 12 months?

Please select all the options that apply

1. Computers becoming infected with ransomware
2. Computers becoming infected with other viruses, spyware or malware
3. Attacks that try to take down your website or online services (Phil Holyday is of the view that the website and online services do not relate to our pensions which are server based)
4. Hacking or attempted hacking of online bank accounts
5. People impersonating your scheme in emails or online
6. Staff receiving fraudulent emails or being directed to fraudulent websites
7. Unauthorised use of computers, networks or servers by staff, even if accidental
8. Unauthorised use or hacking of computers, networks or servers by people outside your scheme
9. Any other types of cyber security breaches or attacks There is a difference between a cyber security breach and an Information Data breach. Phil is not aware these of any such attack that has penetrated our systems.
10. None of these
11. Don't know

D3. ANSWER IF EXPERIENCED ANY CYBER SECURITY BREACHES IN THE LAST 12 MONTHS (D2=1-9)

Thinking of all the cyber security breaches or attacks experienced by your scheme in the last 12 months (including at your administration provider), which, if any, of the following happened as a result?

Please select all the options that apply

1. Software or systems were corrupted or damaged
2. Personal data (e.g. on members, beneficiaries or staff) was altered, destroyed or taken
3. Permanent loss of files (other than personal data)
4. Temporary loss of access to files or networks
5. Lost or stolen assets, trade secrets or intellectual property
6. Money was stolen
7. Your website or online services were taken down or made slower
8. Lost access to any third-party services you rely on
9. None of these
10. Don't know

SECTION E – DATA REVIEW

The next set of questions is about your scheme's approach to reviewing and improving its data.

E1. EVERYONE TO ANSWER

When did your scheme last **complete** a data review exercise?

Please select one answer only

1. Within the last 12 months (The annual return to tPR)
2. More than 12 months ago
3. Never completed one
4. Don't know

E2. ANSWER IF SCHEME HAS EVER COMPLETED A DATA REVIEW EXERCISE (E1=1 OR 2)

Did your scheme's most recently completed data review exercise identify any issues or problems with the following?

<i>Please select one answer per row</i>	Yes	No	Don't know
a) National insurance number	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
b) Date of birth	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
c) First name	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
d) Surname	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
e) Gender	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
f) First line of address	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Postcode	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Membership start date	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
i) Membership end date (if applicable)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
j) Expected retirement age	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
k) Anticipated income at retirement (based on expected retirement age)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
l) Other data item(s)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

E3. ANSWER IF REVIEW IDENTIFIED ISSUES WITH ANY OF THE SPECIFIC DATA ITEMS (YES AT ANY OF E2a-k)

Focussing just on the specific data items that you identified issues or problems with in your most recently completed data review, approximately what percentage of the scheme memberships were affected by each one?

*Please select one answer per row
(just for those selected at E2)*

% of memberships affected

	<1%	1-9%	10-19%	20-29%	30%+	Don't know
a) National insurance number	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Date of birth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) First name	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Surname	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Gender	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) First line of address	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Postcode	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Membership start date	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) Membership end date (if applicable)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
j) Expected retirement age	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
k) Anticipated income at retirement (based on expected retirement age)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

E4. ANSWER IF DATA REVIEW IDENTIFIED ISSUES WITH ANY DATA ITEMS (YES AT ANY OF E2a-l)

Has any action been taken to address the issues or problems identified with the data?

Please choose one answer that most closely describes the action your scheme has taken to date

1. An improvement plan is in development
2. An improvement plan is in place but rectification work is not yet complete
3. An improvement plan has been put in place and rectification work has been completed
4. **Rectification work has been undertaken without an improvement plan** (there were only a small number of issues which were corrected)
5. No improvement plan has been developed and no work has been undertaken
6. Don't know

SECTION F – ANNUAL BENEFIT STATEMENTS

The next set of questions is about members' annual benefit statements.

F1. EVERYONE TO ANSWER

In 2019, what proportion of active members received their annual benefit statements by the statutory deadline?

Please write in the percentage below. If you do not know exactly, please give an approximate percentage.

.....**96.5**..... %

F2. ANSWER IF DEADLINE WAS MISSED FOR ANY MEMBERS (F1=0-99%)

Was the missed deadline for issuing active member statements reported to TPR?

Please select one answer only

- 1. Yes - and Breach of Law report made
- 2. Yes - but decided not to make a Breach of Law report
- 3. No - not reported
- 4. Don't know

F3. ANSWER IF MISSED DEADLINE WAS NOT REPORTED TO TPR (F2=3)

What was the main reason for not reporting the breach?

Please select one answer only

- 1. Not material - few statements affected
- 2. Not material - very short delay
- 3. Other reason (please specify):
- 4. Don't know

F4. EVERYONE TO ANSWER

What proportion of all the annual benefit statements the scheme sent out in 2019 contained all the data required by regulations?

Please write in the percentage below. If you do not know exactly, please give an approximate percentage.

.....100..... %

SECTION G – RESOLVING ISSUES

The next set of questions is about resolving issues or complaints the scheme has received.

G1. EVERYONE TO ANSWER

Does the scheme have a working definition of what constitutes a complaint?

Please select one answer only

- 1. Yes (the IDR procedure)
- 2. No
- 3. Don't know

G2. EVERYONE TO ANSWER

Focusing on the complaints you have received in the last 12 months from members or beneficiaries in relation to their benefits and/or the running of the scheme, please tell us the following information.

Please write in the number for each of a), b) and c) below. The number at b) should be equal to or lower than the number at a). The number at c) should be equal to or lower than the number at b).

- a) **Total** number of complaints received2.....
- b) Number of these complaints that have entered the Internal Dispute Resolution (IDR) process2.....
- c) Number of these complaints that were upheld by the IDR process1.....

G3. ANSWER IF ANY COMPLAINTS ENTERED THE IDR PROCESS IN THE LAST 12 MONTHS (G2b>0)

To what did the top three types of complaint going through the IDR process relate?

Please select up to three options below

1. Slow or ineffective communication
2. Inaccuracies or disputes around pension value or definitions
3. Delays to benefit payments
4. Disputes or queries about the amount of benefit paid
5. Delay or refusal of pension transfer
6. Inaccurate data held and/or statement issued
7. Pension overpayment and recovery
8. Eligibility for ill health benefit
9. Other (please specify): ..Pension adjustment due to more than 2 pensions being applied
10. Don't know

SECTION H – REPORTING BREACHES

The next set of questions is about the scheme's approach to dealing with any breaches of the law.

H1. EVERYONE TO ANSWER

Does the scheme have procedures in place to allow the scheme manager, pension board members and others to identify breaches of the law?

Please select one answer only

1. Yes Assessment flow chart from tPR
2. No
3. Don't know

H2. EVERYONE TO ANSWER

In the last 12 months, have you identified any breaches of the law that are not related to annual benefit statements?

Please select one answer only

1. Yes
2. No
3. Don't know

H3. ANSWER IF ANY BREACHES OF THE LAW NOT RELATED TO ANNUAL BENEFIT STATEMENTS HAVE BEEN IDENTIFIED IN THE LAST 12 MONTHS (H2=1)

What were the root causes of the breaches identified?

Please select all the options that apply

1. Systems or process failure
2. Failure to maintain records or rectify errors
3. Management of transactions (e.g. errors or delays in payments of benefits)
4. Failure of the employer(s) to provide timely, accurate or complete data
5. Late or non-payment of contributions by the employer(s)
6. Other employer-related issues (please specify): Incorrect application of two pensions rules
7. Something else (please specify):
8. Don't know

H4. EVERYONE TO ANSWER

Are there procedures in place to assess breaches of the law, and report these to TPR if required?

Please select one answer only

- 1. Yes LPB Policy
- 2. No
- 3. Don't know

H5. ANSWER IF ANY BREACHES OF THE LAW NOT RELATED TO ANNUAL BENEFIT STATEMENTS HAVE BEEN IDENTIFIED IN THE LAST 12 MONTHS (H2=1)

In the last 12 months, have you reported any breaches to TPR as you thought they were materially significant? Please do not include any breaches that related to annual benefit statements.

Please select one answer only

- 1. Yes Two pensions incorrectly applied as multiple pensions
- 2. No
- 3. Don't know

SECTION I – GOVERNANCE AND ADMINISTRATION

The next set of questions is about your progress in addressing governance and administration issues.

I1. EVERYONE TO ANSWER

What do you believe are the top three factors behind any improvements made to the scheme's governance and administration in the last 12 months?

Please select up to three options below

- 1. Improved understanding of underlying legislation and standards expected by TPR
- 2. Improved engagement by TPR
- 3. Improved understanding of the risks facing the scheme
- 4. Resources increased or redeployed to address risks (Increase in LPB membership and HR Rewards & Benefits Mgr)
- 5. Administrator action (please specify):
- 6. Scheme manager action (please specify):
- 7. Pension board action (please specify):.
- 8. Other (please specify):
- 9. No improvements made to governance/administration in the last 12 months
- 10. Don't know

I2. EVERYONE TO ANSWER

What are the main three barriers to improving the governance and administration of your scheme over the next 12 months?

Please select up to three options below

- 1. Lack of resources or time
- 2. Complexity of the scheme
- 3. The volume of changes that are required to comply with legislation
- 4. Recruitment, training and retention of staff and knowledge
- 5. Lack of knowledge, effectiveness or leadership among key personnel
- 6. Poor communications between key personnel (board, scheme manager, administrator, etc.)
- 7. Employer compliance
- 8. Issues with systems (IT, payroll, administration systems, etc.)
- 9. The McCloud judgement As yet we do not know what will be required
- 10. Other (please specify):
- 11. There are no barriers

12. Don't know

SECTION J – PERCEPTIONS OF TPR

The final set of questions is about your views of TPR.

J1. EVERYONE TO ANSWER

Thinking about your overall perception of TPR, to what extent do you agree or disagree with the following words as ways to describe TPR?

Please select one answer per row

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
a) Tough	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Efficient	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Visible	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Fair	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Respected	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Evidence-based	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Decisive	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Clear	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) Approachable	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

J2. EVERYONE TO ANSWER

Thinking now about how TPR operates, how effective do you think it is at improving standards in scheme governance and administration in public service pension schemes?

Please select one answer only

1. Very effective
2. Fairly effective Additional tools eg assessing success of board, further learning tools
3. Neither effective nor ineffective
4. Not very effective
5. Not at all effective
6. Don't know

J3. EVERYONE TO ANSWER

To what extent do you agree or disagree with the following statements?

Please select one answer per row

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
a) TPR is effective at bringing about the right changes in behaviour among its regulated audiences	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) TPR is proactive at reducing serious risks to member benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

There seems to be a disproportionate focus on public sector schemes when there has been significant malpractice in the private sector

SECTION K – ATTRIBUTION

Thank you for completing this survey. Your responses will help TPR understand how schemes are progressing and any issues they may face, which will inform further policy and product developments. Before you submit your answers, there are just a few more questions about your survey responses.

K1. EVERYONE TO ANSWER

Which of the following best describes your role within the pension scheme?

Please select one answer only

1. Scheme manager*
2. Representative of the scheme manager
3. Pension board chair
4. Pension board member
5. Administrator
6. Other (please specify):

**In this survey 'scheme manager' refers to the definition within the Public Service Pensions Act, e.g. the Local Authority, Fire and Rescue Authority, Police Pensions Authority, Secretary of State/Minister or Ministerial department.*

K2. EVERYONE TO ANSWER

What other parties did you consult with to complete this survey?

Please select all the options that apply

1. Scheme manager
2. Representative of the scheme manager
3. Pension board chair
4. Pension board member
5. Administrator
6. Other
7. Did not consult with any other parties

K3. EVERYONE TO ANSWER

To inform TPR's engagement going forward, they would like to build an individual profile of your scheme by linking your scheme name to your survey answers. This will only be used for internal purposes by TPR and your scheme name would not be revealed in any published report.

Are you happy for your responses to be linked to your scheme name and supplied to TPR for this purpose?

Please select one answer only

1. Yes, I am happy for my responses to be linked to my scheme name and supplied to TPR for this purpose
2. No, I would like my responses to remain anonymous

K4. EVERYONE TO ANSWER

And would you be happy for the responses you have given to be linked to your scheme name and shared with the relevant scheme advisory board? This is to help inform the advisory boards of areas for improvement and to further their engagement with pension boards.

Please select one answer only

- 1. Yes, I am happy for my responses to be linked to my scheme name and shared with the relevant advisory board
- 2. No, I would like my responses to remain anonymous

K5. EVERYONE TO ANSWER

TPR may conduct some follow up research on this topic to improve their advice and engagement with schemes such as yours. Would you be willing for us to pass on your name, contact details and relevant survey responses to them so that they, or a different research agency on their behalf, could invite you to take part?

You may not be contacted and, if you are, there is no obligation to take part. Your contact details will be stored for a maximum duration of 12 months, before being securely destroyed.

Please select one answer only

- 1. Yes, I am happy to be contacted for follow-up research
- 2. No, I would prefer not to be contacted for follow-up research

K6. EVERYONE TO ANSWER

Please record your name below. This is just for quality control purposes and will not be passed on to TPR (unless you have agreed that they can contact you for follow-up research).

Please write in below

.....Steve Pope.....

K7. EVERYONE TO ANSWER

Finally, please use the space below if you have any other comments or would like to clarify/ explain any of the answers you have given.

Please write in below if applicable

The cyber security questions at D2 could be clearer and consider whether penetration tests have been undertaken.

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Thank you. Please now submit your responses through the online survey link contained in your invitation email. If you have any queries or technical issues please contact James Murray (Director, OMB Research) at james.murray@ombresearch.co.uk or on 01732 220582.

Item 11c - D&S Local Pension Board - TPR Self-Assessment Summary 2019-09

Dec-16 Nov-17 Apr-18 Aug-18 Oct-18 Sep-19 **Commentary/Evidence**

Governing your scheme							
1. Have you clearly defined and recorded the roles & responsibilities of the pension board?	Amber	Amber	Green	Green	Green	Green	Roles and Responsibilities agreed by LPB 8 Aug 2019. Need to be published on website.
2. Have you published information about the pension board and ensured it is kept up to date?	Amber	Green	Green	Amber	Green	Green	Website live but membership needs to be updated and number of Members and training to reflect 2019 conference attendance and slides.
3. Do you have policies and arrangements in place to help pension board members acquire and retain the requisite knowledge and understanding?	Amber	Amber	Green	Green	Green	Green	Arrangement in place and all members tasked with completing the e-learning on TPR website. The requirement to undertake personal training is defined in the Terms of Reference
4 (a) Do you use training Plans for your pension board?	Amber	Amber	Amber	Green	Green	Green	Completion of TPR eLearning modules when first joining. Attending at least one LGA organised event per year. Communications table created to assist with clarity of communications. Sept 2019 - LGA developing CPD accredited courses which will be included in development plans once available
4 (b) Do you use individual training needs analysis for your pension board?	Amber	Amber	Amber	Amber	Amber	Amber	Oct 2018 - No, apart from requirement to undertake TPR eLearning and initial LGA training. Sept 2019 - ACTION: a) Steve Pope to assess TPR tool for TNA b) re-assess this area once LGA training materials (CPD accredited etc.) produced
4 (c) Do you use training logs for your pension board?	Red	Amber	Green	Green	Green	Green	Training log updated on completion of e-learning modules. Sept 2019 - Training log will be expanded to include LGA accredited courses once available.
5. Do you have a conflicts policy and procedure for pension board members?	Red	Green	Green	Green	Green	Green	Yes - and is a standing item at start of each LPB agenda.

Item 11c - D&S Local Pension Board - TPR Self-Assessment Summary 2019-09

	Dec-16	Nov-17	Apr-18	Aug-18	Oct-18	Sep-19	Commentary/Evidence
6. Do you have a register of interests (or equivalent)?	Red	Green	Green	Green	Green	Green	Yes

Item 11c - D&S Local Pension Board - TPR Self-Assessment Summary 2019-09

Dec-16 Nov-17 Apr-18 Aug-18 Oct-18 Sep-19 **Commentary/Evidence**

Managing Risks and Issues							
1. Do you have procedures in place for assessing and managing risk?	Red	Amber	Amber	Amber	Amber	Green	Draft RR produced, to be considered at the LPB. The procedure is currently informal. Sept 19 - Review of RR and internal controls now part of LPB work programme.
2. Do you have a risk register?	Red	Amber	Amber	Amber	Amber	Amber	Draft has been produced and to be reviewed at September management meeting Sept 2019 - Not progressed. TPR survey due in at end Dec 19 so target is to get RR completed by LPB meeting on 30/10/19
3. Where you have outsourced services, do you ensure that providers demonstrate that they have internal controls in place?	Amber	Green	Green	Green	Green	Green	Procurement process identified quality controls.
							WYPF report and KPIs
							External Auditors undertake annual review
4. Do you have a service level agreement, or equivalent, in place with your scheme administrators, whether in house or outsourced?	Green	Green	Green	Green	Green	Green	Service level agreement in place between the Service and West Yorkshire Pension Fund
5. Are your internal dispute resolution arrangements clearly communicated to members and others?	Amber	Green	Green	Green	Green	Green	WYPF website includes guidance on IDRP and DSFRS website has link to WYPF but no specific guidance about IDRP. Sept 19 DSFRS website to be updated to include link to WYPF guidance on IDRP.
6. Do you have procedures in place identify, assess and report breaches of the law?	Red	Green	Green	Green	Green	Green	Reporting breaches procedure in place and breaches have been reported

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Item 11c - D&S Local Pension Board - TPR Self-Assessment Summary 2019-09

Dec-16 Nov-17 Apr-18 Aug-18 Oct-18 Sep-19 **Commentary/Evidence**

Administration							
1. Do you have a process in place to ensure that information is provided to TPR as required (e.g. through the scheme return)?	Green	Green	Green	Green	Green	Green	TPR returns are completed by delegated scheme manager as part of business as usual
2. Do you have processes in place to monitor scheme records for all membership types on an ongoing basis and ensure they are accurate and complete?	Green	Green	Green	Green	Green	Green	Processes are established through SLA and KPIs with the WYPF
3. Do you have controls in place to ensure that you employer(s) provides timely, accurate and complete data?	Green	Green	Green	Green	Green	Green	Monthly reconciliations in place. Sept 19 - Looking to establish LPB dashboard of KPIs that will provide assurance on data accuracy
4. When did you last carry out a data review exercise?	Green	Green	Green	Green	Green	Green	March 2018 when the Pension Administrator transferred over. Need to check the SLA with WYPF Sept 19 - Data issues are identified as part of ABS process. P&C team regularly keep data accuracy under review as part of BaU including interaction with WYPF
5. Where you have identified poor quality or missing data, do you have an improvement plan to address issues?	Green	Green	Green	Amber	Amber	Green	Issues are reported through the monthly report to management from WYPF. Data issues arose from the change in scheme administrators. Scheme Manager is checking with WYPF on their plans for remedial action. Sept 19 - Previous issues resolved. Where issues are identified plans are put in place to address as quickly as possible
6. Do you have processes in place for monitoring scheme contribution, resolving issues and assessing whether to report payment failures to TPR?	Green	Green	Green	Green	Green	Green	Finance department monthly procedures

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Item 11c - D&S Local Pension Board - TPR Self-Assessment Summary 2019-09

	Dec-16	Nov-17	Apr-18	Aug-18	Oct-18	Sep-19	Commentary/Evidence
7. Have you reviewed your processes for issuing annual benefit statements to ensure they are fit for purpose?	Green	Green	Green	Green	Green	Green	Moved to new provider April 2018 and are satisfied with their arrangements – will be reviewed annually against national template Sept 19 - Processes have been reviewed. Issues from 2019 ABS manual production of data are being addressed and an automated approach is being developed for 2020
8. Have you taken steps to ensure that member communications are clear, accurate and easily accessible?	Amber	Green	Green	Green	Green	Green	Procurement process reviewed communications – SLA Sept 2019 - WYPF website is easy to use and find information and provide helpline. Internal communication via Shout Out e.g. early retirement seminars and guidance on annual allowance

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Public service

Internal controls Checklist

Use this checklist to evaluate your scheme's internal controls.

Action	Notes	Yes/No
Do you have effective arrangements and procedures to ensure that the pension scheme is being run in accordance with the scheme rules and requirements of law?	See paragraphs 94-112 in the code at www.tpr.gov.uk/code14 . Consider if you need to put further arrangements and procedures in place.	
Do you regularly review the arrangements and procedures?	If yes, how often?	
Do you have a process to identify risks?		
Do you have a process to evaluate risks?		
Do you have in place processes or controls to manage risks?		
Do you have a risk register to record all risks identified and action taken?	See our example risk register at www.tpr.gov.uk/ps-risk-register	
Do you regularly review the risk register?	If yes, how often?	
Do you have a standing item on the pension board agenda to review scheme risks?		

If you have answered no to any of these questions, you should review your processes to ensure that they are fit for purpose.

Completed by _____

Date _____

Note: Public service pension schemes and legislation about the new governance and administration requirements are expected to come into effect in April 2015.

www.tpr.gov.uk/publicservice

Governance and administration of public service pension schemes

Managing risks

100. This part of the code covers the requirement for scheme managers to establish and operate adequate internal controls.

Internal controls

Legal requirements

101. The scheme manager of a public service pension scheme must establish and operate internal controls. These must be adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules and in accordance with the requirements of the law.

102. For these purposes ‘internal controls’ means:

- arrangements and procedures to be followed in the administration and management of the scheme
- systems and arrangements for monitoring that administration and management, and
- arrangements and procedures to be followed for the safe custody and security of the assets of the scheme⁵¹.

Practical guidance

103. Internal controls are systems, arrangements and procedures that are put in place to ensure that pension schemes are being run in accordance with the scheme rules (which for most public service pension schemes are set out in the scheme regulations) and other law. They should include a clear separation of duties, processes for escalation and decision making and documented procedures for assessing and managing risk, reviewing breaches of law and managing contributions to the scheme.

104. Good internal controls are an important characteristic of a well-run scheme and one of the main components of the scheme manager’s role in securing the effective governance and administration of the scheme. Internal controls can help protect pension schemes from adverse risks, which could be detrimental to the scheme and members if they are not mitigated.

105. Scheme managers must establish and operate internal controls⁵². These should address significant risks which are likely to have a material impact on the scheme. Scheme managers should employ a risk-based approach and ensure that sufficient time and attention is spent on identifying, evaluating and managing risks and developing and monitoring appropriate controls. They should seek advice, as necessary.

⁵¹
Section 249A(5) and s249B of the Pensions Act 2004.

Identifying risks

106. Before implementing an internal controls framework, schemes⁵³ should carry out a risk assessment. They should begin by:
- setting the objectives of the scheme
 - determining the various functions and activities carried out in the running of the scheme, and
 - identifying the main risks associated with those objectives, functions and activities.
107. An effective risk assessment process will help schemes to identify a wide range of internal and external risks, which are critical to the scheme and members. When identifying risks, schemes should refer to relevant sources of information, such as records of internal disputes and legislative breaches, the register of interests, internal and external audit reports and service contracts.
108. Once schemes have identified risks, they should record them in a risk register and review them regularly. Schemes should keep appropriate records to help scheme managers demonstrate steps they have taken to comply, if necessary, with legal requirements.

Evaluating risks and establishing adequate internal controls

109. Not all risks will have the same potential impact on scheme operations and members or the same likelihood of materialising. Schemes should consider both these areas when determining the order of priority for managing risks and focus on those areas where the impact and likelihood of a risk materialising is high.
110. Many pension schemes will already have adequate internal controls in place, some of which may apply to a variety of the functions of the administering authority. Schemes should review their existing arrangements and procedures to determine whether they can prevent and detect errors in scheme operations and help mitigate pension scheme-related risks. For example, schemes could obtain assurance about their existing controls through direct testing or by obtaining reports on controls. Any such review should be appropriate to the outcome of the risk evaluation.
111. Schemes should consider what internal controls are appropriate to mitigate the main risks they have identified and how best to monitor them.

For example, the scheme manager(s) for a funded scheme should establish and operate internal controls that regularly assess the effectiveness of investment-related decision making. Scheme managers for all pension schemes should establish and operate internal controls that regularly assess the effectiveness of data management and record-keeping.

⁵³ See paragraph 25 for the definition of 'schemes'.

Managing risks by operating internal controls

112. Schemes should consider a number of issues when designing internal controls to manage risks. The examples provided are for illustrative purposes only and are not exhaustive. They should not be relied upon as a substitute for the exercise of judgement, based on the principles set out in this code and any advice considered appropriate, particularly in light of any problems experienced in the past.

a. How the control is to be implemented and the skills of the person performing the control

For example, schemes should ensure that new employers participating in the scheme understand what member data are required and the process for supplying it. Where employers fail to supply the correct data or do not follow the correct process, schemes should ensure that the employer identifies the cause of the error and that appropriate action is taken to avoid recurrence, for example remedying a systemic error or providing the relevant training.

b. The level of reliance that can be placed on information technology solutions where processes are automated For example, where scheme administration processes use an automated system, internal or external auditors could audit the system on an annual basis to assess whether it is capable of performing a required function and report any issues that are identified.

c. Whether a control is capable of preventing future recurrence or merely detecting an event that has already happened

For example, schemes should ensure that their systems support the maintenance and retention of good member records. This includes implementing procedures and controls which identify where systems are not fit for purpose, there are gaps in the data, the data are of a poor quality and/or there has been a loss of data.

d. The frequency and timeliness of a control process

For example, schemes should ensure that data are complete. They should undertake a data-cleansing or member-tracing exercise and review this on a regular basis (at least annually or at regular intervals that they consider appropriate for the scheme).

e. How the control will ensure that data are managed securely For example, schemes should ensure that all staff, including temporary or contract staff, complete information management training before they are given access to sensitive data.

f. The process for flagging errors or control failures, and approval and authorisation controls

For example, schemes should ensure that member communications such as member information booklets are reviewed regularly, particularly where there are changes to the scheme. All relevant parties should be aware of how they should flag errors and the authorisation required before any changes are made to the communications.

Monitoring controls effectively

113. Risk assessment is a continual process and should take account of a changing environment and new and emerging risks, including significant changes in or affecting the scheme and employers who participate in the scheme.
114. For example, where relevant, schemes should put in place systems and processes for making an objective assessment of the strength of an employer's covenant (which should include analysis of their financial position, prospects and ability to pay the necessary employer contributions).
115. An effective risk assessment process will provide a mechanism to detect weaknesses at an early stage. Schemes should periodically review the adequacy of internal controls in:
 - mitigating risks
 - supporting longer-term strategic aims, for example relating to investments
 - identifying success (or otherwise) in achieving agreed objectives, and
 - providing a framework against which compliance with the scheme regulations and legislation can be monitored.
116. Internal or external audits and/or quality assurance processes should ensure that adequate internal controls are in place and being operated effectively. Reviews should take place when substantial changes take place, such as changes to pension scheme personnel, implementation of new administration systems or processes, or where a control has been found to be inadequate.
117. A persistent failure to put in place adequate internal controls may be a contributory cause of an administrative breach. Where the effect and wider implications of not having in place adequate internal controls are likely to be 'materially significant', the regulator would expect to receive a whistleblowing report that outlines relevant information relating to the

breach. For more information, see the 'Reporting breaches of the law' section of this code.

118. Ultimately, the legal responsibility for establishing and operating adequate internal controls rests with the scheme manager⁵⁴. Scheme regulations or other documents may delegate responsibilities to pension board members or others – for example identifying, evaluating and managing risks, developing and maintaining appropriate controls and providing assurance to the scheme manager about any controls in place. However, accountability for those controls and the governance of policies, procedures and processes will reside with the scheme manager.

Outsourcing services

119. The legal requirements relating to internal controls apply equally where schemes outsource services connected with the running of the scheme. Providers should be required to demonstrate that they will have adequate internal controls in their tenders for delivering services. The requirements should be incorporated in the terms of engagement and contract between the scheme and service provider. Outsourced services may include, for example, the maintenance of records and data, calculation of benefits and investment management services. Where services are outsourced, scheme managers should be satisfied that internal controls associated with those services are adequate and effective.
120. An increasing number of service providers are obtaining independent assurance reports to help demonstrate their ability to deliver quality administration services. Schemes should ask their service providers to demonstrate that they have adequate internal controls relating to the services they provide. It is vital that schemes ensure they receive sufficient assurance from service providers. For example, the information from providers should be sufficiently detailed and comprehensive and the service level agreements should cover all services that are outsourced. Schemes should also consider including provisions in contracts for outsourced services requiring compliance with appropriate standards. This should help to ensure effective administration.

Item 12 - Devon and Somerset Fire and Rescue Authority - Local Pension Board Work Programme 2019 - 2021 v1.03

Theme	Activity	SI	15-Feb-19	29-May-19	08-Aug-19	30-Oct-19	18-Mar-20	24-Jun-20	16-Sep-20	09-Dec-20	17-Mar-21	23-Jun-21	15-Sep-21	08-Dec-21
Administration	ABS Feedback					X			X				X	
Administration	Correspondence	Y	X	X	X	X	X	X	X	X	X	X	X	X
Administration	Scheme Manager's Report	Y	X	X	X	X	X	X	X	X	X	X	X	X
Administration	WYPF attendance at LPB meeting					X			X		X		X	
Administration	Confirmation website up to date	Y				X	X	X	X	X	X	X	X	X
Governance	Annual Report							X				X		
Governance	Appointments to the Board		X				X				X			
Governance	LPB Work Plan				X			X				X		
Governance	Review of Breaches		X											
Governance	Review ToR						X				X			
Governance	Roles and Responsibilities				X		X				X			
Governance	TPR Annual Survey Return						X				X			
Governance	TPR Annual Survey Review					X			X				X	
Risk and Assurance	KPIs	Y	X	X	X	X	X	X	X	X	X	X	X	X
Risk and Assurance	LPB Action Log	Y	X	X	X	X	X	X	X	X	X	X	X	X
Risk and Assurance	LPB Audit Report		X											
Risk and Assurance	Risk Register	Y	X			X	X	X	X	X	X	X	X	X
Risk and Assurance	TPR Self Assessment		X		X		X		X		X		X	
Risk and Assurance	Annual review of internal controls						X				X			
Training	Annual Training Needs Analysis					X			X				X	
Training	Induction for new members					X			X				X	
Training	Training Log	Y	X	X	X	X	X	X	X	X	X	X	X	X

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