



**DEVON &
SOMERSET**
FIRE & RESCUE SERVICE

LOCAL PENSION BOARD

Date of Meeting: Monday 8 July 2024, at 10.00 am via MS Teams

A G E N D A

ITEM NO.	ITEM TITLE
1.	Apologies
2.	Conflict of Interest Declaration
3.	Notes (Pages 1 - 4) Notes of the meeting held on 06 December 2023. Attached.
4.	Review of Actions (Pages 5 - 6) Latest Action Log attached.
5.	Risk Register (Pages 7 - 10) To review the register (attached).
6.	Local Pension Board Annual Report 2023-24 (Pages 11 - 16) Report attached for review.
7.	Scheme Manager Update (Pages 17 - 22) Report of the Scheme Manager Attached.
	(a) <u>Key Performance Indicators</u> Discussed within the Scheme Manager Update.
8.	Training Update (Pages 23 - 24) Latest Training Log attached.
9.	Self-Assessment/Assurance
	(a) <u>Website</u> To confirm that the website is up-to-date.

ITEM NO.	ITEM TITLE	LEAD OFFICER
	(b) <u>tPR Self-Assessment</u>	
10.	LPB Work Programme (Pages 25 - 26) Attached. To review programme and items for LPB meeting in September 2024.	
11.	Date of Next Meeting The next meeting is scheduled for Wednesday 11 September 2024.	

Board Membership

*Scheme Manager
Representatives:*

Cllr.Simon Coles
Satnam Singh Rai
Maria Sibson
Andrew Furbear

*Scheme Member
Representatives:*

Phil Gillbard
James Leslie
Ben Redwood
Greg Webb

Other Attendees:

Zoe Smyth (Rewards & Benefits Manager)
Mareena Anderson-Thorne (HR Officer – Pensions)
Hannah Singleton

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Agenda Item 3

LOCAL PENSION BOARD 6 December 2023

Present:

*Scheme Manager
Representatives:*

*Scheme Member
Representatives:*

Other Attendees:

Satnam Singh Rai (SSR) Greg Webb (GW)

Zoe Smyth (ZS) (Rewards and Benefits
Manager/Delegated Scheme Manager)

Shayne Scott (SS)

Mareena Anderson-Thorne (MAT) (HR Officer,
Pensions)

Maria Phillips

Helen Scargill (HSc) (West Yorkshire Pension
Fund)

Steve Yates (SY) (Note-taker)

Apologies:

*Scheme Manager
Representatives:*

*Scheme Member
Representatives:*

Cllr. Simon Coles (SC)

Philip Gillbard
(PG)

James Leslie (JL)

Ben Redwood
(BR)

MIN NO.	ITEM TITLE
LPB/23/14	<u>Appointment of Chair</u> MP nominated for Chair. No other nominations received. MP appointed Chair until the first Board meeting following the Authority annual meeting in 2024.
LPB/23/15	<u>Conflict of Interest Declaration</u> No new interests declared.
LPB/23/16	<u>Notes</u> The Notes of the meeting held on 21 June 2023 were AGREED .
LPB/23/17	<u>Review of Actions</u> CONSIDERED updated Board Action Log listing both Open and Closed actions. It was noted that:

MIN NO.	ITEM TITLE
	<ul style="list-style-type: none"> • LPB044. WYPF cyber security position was still awaited. WYPF had tested their systems but a business continuity plan for cyber security was still awaited. HS would seek to get an update within the next two weeks and prior to the next meeting. Agreed to increase risk RAG rating to red; • LPB091. Training Needs Analysis to be completed by new Board Members (MP and SC); • LPB092. The Service was looking to obtain additional administrative support on fixed term contract basis to assist with significant workload (immediate detriment etc.). The recruitment for a replacement Pensions Officer was ongoing. In light of these issues, it was agreed to increase RAG rating to amber. WYPF considered it was adequately resourced until 2025 but had a constant process for recruitment and training; • LPB093. A contract review meeting would need to be rescheduled with WYPF.
LPB/23/18	<p><u>Training Update</u></p> <p>CONSIDERED log showing the Pension Regulator (tPR) e-learning modules completed to date by Board Members. It was anticipated that the new single Code of Conduct would be launched by tPR in January 2024 and could lead to a revision of e-learning modules. The link to current e-learning modules would be forwarded by MAT to MP and SC.</p>
LPB/23/19	<p><u>Scheme Manager Update (including Key Performance Indicators)</u></p> <p>CONSIDERED paper summarising current pension matters both locally and nationally which required input from the Service. In particular, the paper addressed:</p> <p><i>2015 Age Discrimination Remedy (Sargeant)</i></p> <p>The Secondary Legislation had come into force, with “Legacy” and “Reformed” scheme options being provided to scheme members for the legacy period. The Government’s Actuary Department had issued a calculator for use by fire and rescue services in determining the correct contributions (either refund or underpayment). The amount of PAYE and interest was also calculated and applied to the process based on the option chosen. All “Category 2” member data had been sent to West Yorkshire Pension Fund (WYPF) for recalculating prior to the October, albeit that the order for processing these cases had changed which could require amendment to Service communications. Until the Government produced further documentation (RSS), however, WYPF would not be in a position to process Category 2 cases.</p> <p><i>Second Options Exercise (Matthews)</i></p> <p>Letters to all eligible members were being produced and issued in batches. The communication invited expressions of interest, within a six-month timeframe, either to request figures or opt out of the exercise. There would be a subsequent three-month timeframe to process expressions of interest received.</p>

MIN NO.	ITEM TITLE
	<p>Work was continuing with the Service Communications Team to develop a suitable page on the Service external website for the publication of relevant information and updates. This would supplement the FPS Members site dedicated page which included FAQs and guidance. MAT to provide further updates in due course.</p> <p>Reporting Breaches of Law</p> <p>Since the last Board meeting, no breaches had been reported.</p> <p>Internal Dispute Resolution</p> <p>There had been no new complaints under this procedure since the last Board meeting.</p> <p>Pension Administrator Quality of Service</p> <p>The WYPF submission deadline for month end data had been brought forward in 2023 from the last day to the nineteenth day of the subsequent month. Submissions by the deadline had not been possible in all cases, however, as other pensions data had to be prioritised within existing resources. This was an issue for both the Service and WYPF. The People Services project, currently underway, would change how reporting was undertaken and WYPF would be notified of any expected delays in producing returns.</p> <p>Since the last Board meeting, the processing of FPS retirements had changed significantly. Previously, retirement notifications would be notified to WYPF via the employer portal as part of the overall leaver process, with a target submission date of five days following employee submission. Every FPS retirement was now required to be submitted with a spreadsheet of pensionable data for the full 7-year remedy period, making the former five-day target unrealistic. Suggested alternative Service Level Agreements included:</p> <ul style="list-style-type: none"> • Pensionable pay data to be submitted to WYPF at least six weeks prior to retirement date; and • retirement pack with contributions mandate to be issued to member within five working days of receipt from WYPF. <p>The Board indicated it was content with these proposed SLAs.</p> <p>Service Resource Update</p> <p>The former Pensions Officer for the Service had been successful in appointment to a different role. The Service was looking to recruit a replacement. The Board placed on record their thanks for the support provided by the Pensions Officer.</p>
LPB/23/20	<p><u>Risk Register</u></p> <p>CONSIDERED latest version of the Board risk register. The following points were noted:</p> <ul style="list-style-type: none"> • Risk ownerships would need to be changed (i.e. where people (e.g. M Pearson) had left the Service;

MIN NO.	ITEM TITLE
	<ul style="list-style-type: none"> • Risk LPB001 should be split to delineate risk to WYPF and to the Service (MP to be risk owner); • Risk LPB017 should be changed to amber during the recruitment of additional resource.
LPB/23/21	<u>Self-Assessment/Assurance</u>
	<p>LPB/23/21a <u>Website</u></p> <p>The website was now considered to be up-to-date, with recent changes in Board membership now reflected. Work was still in hand to develop a further webpage with additional information.</p>
	<p>LPB/23/21b <u>tPR Self-Assessment</u></p> <p>MAT had completed a self-assessment earlier in the year. A refresh would need to be undertaken for the next year. The self-assessment should be refreshed in Quarter 1 of each financial year.</p>
LPB/23/22	<p><u>Topics of Interest</u></p> <p>Topics of interest would be developed once all Training Needs Analysis had been completed.</p>
LPB/23/23	<p><u>LPB Work Programme</u></p> <p>NOTED indicative work programme for Board meetings up to and including December 2024.</p>
LPB/23/24	<p><u>Date of Next Meeting</u></p> <p>10.00hours, Wednesday 13 March 2024.</p>

The Meeting started at 10.00 am and finished at 11.10 am

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Action Ref	Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	RAG
LPB089	02-Aug-23	Board	Zoe Smyth	In Progress		Reporting of Breaches	08/02/2023: MAT and ZS to identify and present breaches at next LPB meeting. 06/04/2023: MAT and ZS to contact the pension regulator to try and set up an exchange account to be able to report breaches. 04/05/2023: Exchange accounts have now been set up 06/07/2023: Action to remain open. No breaches reported in current month. 02/08/2023: No new breaches 07/09/2023: No new breaches 05/10/2023: No new breaches 01/02/2024: No new breaches 07/03/2024: No new breaches 17/04/2024: No new breaches	G
LPB091	21-Jun-23	Board	Mareena Anderson-Thorne	In progress		Revision of the training needs analysis New Board members to undertake TNA with MAT.	06/07/2023: Ongoing, awaiting TNA for MP and Cllr Trail. 02/08/2023: Ongoing. MAT to contact Cllr Trail. 07/09/2023: Ongoing - awaiting confirmation of new Board members. 06/12/2023: Training Needs Analysis to be completed by new Board Members (MS and SC) 01/02/2024: ZS had a call with TPR regarding new code for new legislation that needs to be signed off. New Pension training is nearly complete and all Board members will be contacted to revisit training wh appropriate. 07/03/2024: New code had been launched, however, new TPR training packages not yet live. 17/04/2024: Work ongoing.	G
LPB092	21-Jun-23	Board	Shayne Scott	In progress		Internal Resourcing SS to discuss internal resourcing requirements with MAT (relating to case administration and processing for McCloud/Saergant/Matthews)	06/07/2023: The resourcing requirements for administration of the McCloud/Saergant/Matthews cases had increased, further resourcing was required by MAT and ZS imminently. Internal options for resourcing to be explored. MAT and ZS to provide short description of role requirements to SS. 02/08/2023: Additional support resourcing sought for the data file work. Matthews work still required additional resourcing. Internal resourcing reached further than the McCloud/Saergant/Matthews work, including level of knowledge base, impact of additional responsibilities and changing capacities. Short term resourcing support had been sought within the finance department, this would not be a sustainable longer term solution. 07/09/2023: A number of colleagues from the Finance department had assisted in checking the data file. The work required needed to be done manually and would be a lengthy process. A significant factor for the lengthy process is the complexity of the data and the discrepancies arising in the calculations. The data discrepancies had arisen through changes made to allowances, changes in ruling and changes to the pensions administrator. Each case takes a number of hours to administer. When all avenues for managing had been exhausted MAT and ZS would discuss acceptable discrepancy figures with SS. 06/12/2023: The Service was looking to obtain additional administrative support on fixed term contract basis to assist with significant workload (immediate detriment etc.). The recruitment for a replacement Pensions Officer was ongoing. In light of these issues, it was agreed to increase RAG rating to amber. WYPF considered it was adequately resourced until 2025 but had a constant process for recruitment and training; 01/02/2024: One additional staff member assisting with the workload. 07/03/2024: Service would be looking to obtain additional fixed term staff, three additional staff members approved (07/03). 17/04/24: Two new starters were anticipated to join the HR team at the end of April 2024. Considerable concerns remained with team resilience and capacity due to limited resourcing. 24/06/24: Two new starters joined the Service in May commencing work on Matthews cancellations, this provided an increased level of assurance that resource heavy work was underway. Notwithstanding the recruitment, resourcing remained an area of concern in light of other increased areas of Pension work expected.	A

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Agenda Item 4

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Action Ref	Date Raised	Source	Action Lead	Status	Pension Work Activity	Action	Comments	RAG
LPB093	06-Jul-23	Board		Closed		WYPF Contract The WYPF contract had ended in 2022, the Service needed to consider extension or alternate options.	06/07/2023: Item for monitoring progress. 02/08/2023: Contract extension letter issued by Procurement to WYPF. WYPF agreed to extend until 31 March 2025. Action completed. 06/12/2023: A contract review meeting would need to be rescheduled with WYPF. 01/02/2024: Contract has been extended to 31 March 2025. Further discussions would be required to determine future. RAG rating changed to Amber.	A

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
LPB001a	Cyber attack	Complete loss of systems (WYPF)	Catastrophic loss of capability	5	4	20	Evidence of BC plan for WYPF received by the Service (March 2024).	3	3	9		3	3	9		
LPB001b	Cyber attack	Complete loss of systems (DSFRS)	No impact on Pension or Payroll. Would impact processing of retirements i.e. notification.	5	4	20	1. Technological security tested in recent Pen Test 2. Cyber attack plan 3. BC plans (incl ICT) 4. Staff awareness 5. Additional comms to staff 6. Prog of BC exercises 7. Protective Monitoring System	3	3	9		3	3	9	1 & 2 Head of ICT 3. HR R&B Mngr & HoICT 4 & 5 HR R&B Mngr 6. HR R&B Mngr & HoICT 7. Head of ICT 8. HR R&B Mngr	Maria Phillips (as Chair)
LPB002	System failure (DSFRS to include power 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. Additional comms to staff 4. BC exercise 2 Dec 2019 5. Access to alternative locations (power failure) 6. Back-up generator available (power failure)	3	3	9	5. Evidence of BC plan for WYPF	3	3	9	1. HR R&B Mngr & Ho ICT 2. HR R&B Mngr 3. HR Reward & Benefits Manager 4. HR R&B Mngr & HoICT 5. HR Reward & Benefits Manager	Shayne Scott
LPB003	Power supply failure (DSFRS)	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. Heads of ICT, Finance & HR R&B Mngr 2. Heads of ICT, Finance, Estates & HR R&B Mngr 3. Head of Estates 4. Head of Estates	Shayne Scott
LPB004	Industrial Action	Loss of utilities or access to premises	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 ICT & HR R&B Mngr 2. Heads of ICT; Finance; Estates & HR R&B Mngr 3. Ho ICT/Estates	Shayne Scott
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 tracing agency.	2	2	4	None at this time	2	2	4	1 to 4 HR Reward & Benefits Manager	Zoe Smyth

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
LPB006	Administration process failure/maladministration (WYPF)	Pension administration not undertaken to the required standard	Pensioners may receive incorrect pensions Breaches of pension regulations Fraud by admin staff Fraudulent payments Failure of bank account to make payment Incorrect taxation of benefits	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. 6. Trend lines within WYPF monthly reports for key measures 7. WYPF to report on the agreed KPIs	2	2	4	8. Review Pension Administrator's audit reports	2	2	4	1 to 7 HR Reward & Benefits Manager 8. Head of Finance	Shayne Scott
LPB007	Annual Benefit Statement (ABS) not produced in time	Breach of statutory duty	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 year end data 2. WYPF developing an automated system for ABS statements for the Modified Pension Scheme	3	3	9	None at this time	2	2	4	1 & 2 HR Reward & Benefits Manager	Zoe Smyth
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 & 2 Head of Finance	Shayne Scott
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 Pensions 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 2 to 4 HR Reward & Benefits Manager	Maria Phillips (as Chair)
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 2 & 3 HR Reward & Benefits Manager 4 & 5 Head of Finance	Shayne Scott
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	2	4	1 to 3 HR Reward & Benefits Manager	Zoe Smyth
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 to 3 Head of Finance	Shayne Scott

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
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 4. Ensure information on the impact of promotions to the Annual Allowance is made clear to staff.	3	3	9	None at this time	1	2	2	1 to 4 HR Reward & Benefits Manager	Zoe Smyth
LPB014	Court of Appeal decision on unlawful discrimination from Transitional arrangements for transfer from the 1992 to 2015 (McCloud/Sargent case)	2015 scheme members will need to be transferred back to their preferred pension scheme	Significant pension administration in making back-dated adjustments to pensions. Implementation of the remedy may be problematic due to data gaps following transfer of payroll and pensions providers	4	5	20	1. Employers will be represented at the ET. 2. Ensuring that historic data that might be required is retained to help manage any potential remedy 3. Pension reserve in place to support administration costs 4. Accessing information from LGA to ensure we are fully informed 5. Receiving updates from Fire Finance Network and national reps 6. Legal advice 7. LGA 'coffee mornings' 8. Pensions Officer appointed	2	5	10	9. Consideration of data retention pending remedy 10. Ability to take on additional staff to support administration (pending reserve) 11. PSTax Advice to be obtained	2	5	10	1 & 2 HR Reward & Benefits Manager 3. Head of Finance 4. HR Reward & Benefits Manager 5. Head of Finance 6 to 10 HR Reward & Benefits Manager 11. Head of Finance	Shayne Scott
LPB015	Court of Appeal decision on unlawful discrimination for Part-time workers prior to 2000 (O'Brien/Matthews case)	Pension entitlement prior to 2000 will need to be calculated and a repayment scheme made available (similar to 2006 modified exercise)	Significant pension administration in making back-dated adjustments to pensions. Implementation of the remedy may be problematic due to data gaps following transfer of payroll and pensions providers (and potential to go back to 1976 service)	3	5	15	1. Employers represented at the ET. 2. Ensuring that historic data that might be required is retained to help manage any potential remedy 3. Pension reserve in place to support administration costs 4. Accessing information from LGA to ensure we are fully informed 5. Receiving updates from Fire Finance Network and national reps 6. Pensions Officer appointed	2	5	10	7. Consideration of data retention pending remedy 8. Ability to take on additional staff to support administration (pending reserve)	2	5	10	1 & 2 HR Reward & Benefits Manager 3. Head of Finance 4. HR Reward & Benefits Manager 5. Head of Finance 6 to 8 HR Reward & Benefits Manager	Shayne Scott
LPB016	Flu Pandemic	Pension scheme administration cannot be undertaken	Increase in administration of pensioner records and administrator absence due to illness	3	4	12	1. Working at home arrangements 2. HR Business continuity plans 3. Government guidance on healthy workplaces 4. WYPF business continuity arrangements	2	2	4	None at this time	2	2	4	1 to 4 HR Reward & Benefits Manager	Zoe Smyth
LPB017	Loss of Key Staff	Single points of failure	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. WYPF has an experienced team 4. WYPF to report on the agreed KPIs	4	5	20	1. P&C has an experienced team. 2. Head of HR supported by Rewards and Benefits Manager 3. Pensions Officer recruitment 4. Succession planning in place 5. Additional FTC posts in P&C	2	2	4	1 to 9 HR Reward & Benefits Manager	Zoe Smyth
LPB018	GDPR Breach	Failure to comply with GDPR	Prosecution, fines, enforcement notices, civil action, reputational damage.	3	4	12	1. GDPR impact assessments conducted by DSFRS as part of GDPR prep 2. GDPR requirements included in pensions administration contract 3. Data sharing agreements in place with WYPF 4. Staff induction and CPD includes GDPR	2	2	4	None at this time	2	2	4	1 to 4 HR Reward & Benefits Manager	Zoe Smyth
LPB019	Failure of LPB members to maintain knowledge and understanding to required level	Failure of LPB to discharge its statutory functions	Breaches of the law. Action by TPR. Reputational damage	3	3	9	1. LPB induction includes: TPR CoP 14; TPR e-learning; and LGA training 2. Attendance at LGA Annual Fire Pensions Conference 3. Regular LPB meetings 4. LPB meetings include a training topic to reinforce learning or generate debate 5. TNA and individual training plans	2	1	2	None at this time	2	1	2	1 to 5 HR Reward & Benefits Manager	Maria Phillips (as Chair)

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
LPB020	Employer incorrectly enrolls an employee into the Firefighter's Pension scheme	Failure to auto enrol in an appropriate pension scheme resulting a breach of the law from incorrect application of pension rules and incorrect deductions from pay	Fines or other action by the Pension Regulator. Reputational damage. Staff dissatisfaction and complaints take up management time.	3	4	12	1. P&C staff informed that only FF on permanent contracts can be enrolled in the FFPS. 2. P&C staff informed to not include the FFPS in the offer letter for FF on FTCs but to include the LGPS. 3. Auto enrolment for FF on temporary contacts will only be applied under the LGPS.	2	2	4	None at this time	2	2	4	1 to 3 HR Reward & Benefits Manager	Zoe Smyth
LPB021	Insufficient resources at WYPF		1. WYPF reported to the Ombudsman/TPR 2. e.g. WYPF failing to issue starter packs - data uploads not being processed. 3. DSFRS Personnel impacted by lack of action 4. Financial Penalty (DSFRS) 5. Quality of Service	3	5	15	1. The Service to monitor and report breaches as soon as they arise 2. HR Management to continue to liaise with WYPF over concerns 3. Re-establishing quarterly meetings (prioritised)	3	4	12	Assurance by WYPF of the risk being monitored	TBC	TBC	#VALUE!		
LPB022	Employer fails to enrol an employee into the Firefighter's Pension scheme	Failure to auto enrol a member of staff into an appropriate pension scheme.	Members of staff.	3	4	12		2	2	4	None at this time	2	2	4		

DEVON AND SOMERSET FIRE AND RESCUE AUTHORITY

Local Pension Board Annual Report 2023-24

1. INTRODUCTION

- 1.1. The purpose of this Annual Report is to provide information about the status of the Devon and Somerset Fire and Rescue Authority Local Pension Board for Scheme Members (employees and pensioners) and for the Scheme Manager (the Authority) together with a summary of issues considered in the relevant period (1 April 2023 – 31 March 2024).
- 1.2. In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, the Devon and Somerset Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes.
- 1.3. The Report includes commentary on the following:
 - A summary of the work undertaken by the Local Pension Board during 2023-24
 - Detail of areas investigated and how these areas were dealt with
 - Any conflicts of interest and how these were managed
 - Any identified risks and other areas of potential concern
 - Any expenses and costs incurred by the Board
 - Gifts and hospitality received by members of the Board
 - Training for Board members

2. MEMBERSHIP AND MEETINGS OF THE LOCAL PENSION BOARD

- 2.1. During 2023-24, the Local Pension Board comprised of eight members as follows:

Scheme Manager Representatives:

- Shayne Scott (Director of Finance & Corporate Services)
- Maria Phillips (Assistant Director of Corporate Services)
- Councillor Jeff Trail (June 2023 meeting)
- Satnam Singh Rai (Independent Co-opted Member)

Scheme Member Representatives:

- Phill Gillbard

- Greg Webb
 - James Leslie
 - Ben Redwood
- 2.2. In addition to the above, the following officers supported the Board and regularly attend Board meetings:
- Zoe Smyth (HR Reward & Benefits Manager and Delegated Scheme Manager)
 - Mareena Anderson-Thorne (HR Pensions Officer)
- 2.3. In accordance with the Terms of Reference, the Board met on two occasions during 2023-24, which took place on:
- 21 June 2023
 - 06 December 2023

3. WORK UNDERTAKEN BY THE LOCAL PENSION BOARD

- 3.1. During 2023-24 the following matters were undertaken/considered:
- Review of actions log
 - Management of Risk Register
 - Reviewed and updated the Self-Assessment using the Pension Regulator Tool
 - Individual training using the Pension Regulator e-learning modules
 - KPI Performance Measures (data collection and reporting)
 - Received regular updates from the Scheme Manager, Scheme Administrator, and the Scheme Advisory Board
 - Attendance at the LGA Fire Pensions Conference in September 2023
 - Reviewed arrangements for reporting potential breaches of the law

4. IDENTIFIED RISKS AND BOARD ACTIONS

DSFRS undertook regular review of the Risk register and kept an accurate action log to ensure risks were managed throughout the year. Main areas of concern are detailed below.

Description	Action
Court of Appeal ruling – McCloud/Sargeant (Age discrimination remedy)	<ul style="list-style-type: none"> • Scheme manager attended regular LGA coffee mornings and scheme updates. • GAD calculator and contributions mandate process established internally for all retirements with a deferred choice option to ensure that employee contributions are adjusted correctly and in line with government directions with regard to tax and interest payments.
Court of Appeal ruling – O’Brien/Matthews (On-call second options exercise)	<ul style="list-style-type: none"> • Scheme manager attended regular LGA coffee mornings and scheme updates. • Scheme manager ensured regular contact with WYPF to ensure data quality exercise can be undertaken prior to the second options exercise commencing. • Additional resource (2.0 FTE) secured to support the administrative processes required.
Cyber Attack	<ul style="list-style-type: none"> • DSFRS Business continuity plan reviewed • Cyber security training completed • WYPF asked to provide assurances of their business continuity and cyber-attack plans.

Further details of risks identified, and the action log can be found below.

- 4.1. Risks identified can be found within the papers published for each Board meeting, these are available publicly on the Service website.
- 4.2. Review of open actions can be found within the papers published for each Board meeting, these are available publicly on the Service website.

5. STATUTORY BREACHES

- 5.1. No statutory breaches were reported to the Regulator during the period April 2023 – March 2024.

6. DEVON AND SOMERSET FIRE AND RESCUE SERVICE WEBSITE

- 6.1. Further information regarding the Local Pension Board can be found on the Service website.
- 6.2 The website is discussed at each Board meeting to ensure content remains updated and accurate.

7. SCHEME MEMBERSHIP

- 7.1. The scheme membership numbers are now included in the monthly reports from the Scheme Administrator. Membership numbers as of 31 March 2024 were as follows:

Scheme Name	Active Members	Deferred Members	Pensioners	Beneficiaries	Preserved Refund	Leavers Options Pending
Devon and Somerset Fire (1992 Scheme)	0	49	898	160	1	0
Devon and Somerset Fire (2006 Scheme)	1	400	145	20	9	1
Devon and Somerset Fire (2006/RDS Scheme)	0	65	213	3	0	1
Devon and Somerset Fire (2015 Scheme)	1576	719	89	14	7	58
Devon and Somerset Fire (2015/RDS Scheme)	54	8	14	0	0	3

- 7.2. The Delegated Scheme Manager reports at each Board meeting details of FPS retirements and processing times. The WYPF Monthly report circulated monthly to the board details membership numbers.

8. CONFLICTS OF INTEREST

- 8.1. Members of the Local Pension Board are required to declare any personal, prejudicial, or conflicts of interest. Board members are asked at each meeting to declare any conflicts that may have arisen.
- 8.2. There have been no declarations made by any Board members, advisor, or attendee at any meeting of the Board during the relevant period.

9. EXPENSES AND COSTS

- 9.1. Total Local Pension Board expenditure for 2023-24 was limited to the “co-optees” allowance of £500 per annum paid to the Independent Employer Representative in accordance with Regulation 9 of the Local Authorities (Members Allowances) (England) Regulations 2003 and the Authority’s Approved Scheme of Members Allowances made under those Regulations.

10. GIFTS AND HOSPITALITY

- 10.1. No declarations of gifts or hospitality were made by members of the Board during the relevant period.

11. KNOWLEDGE AND UNDERSTANDING

- 11.1. Board members have completed e-learning modules on the Pension Regulator’s website. Details of each Board member’s training is published on the Service website.
- 11.2. Monthly updates from the scheme administrator, the West Yorkshire Pension Fund, and the LGA’s monthly Firefighters Pensions Schemes Bulletin are shared with Board members.
- 11.3. Completion of individual training needs analysis records are used to identify common topics of interest, which is now included on each meeting of the Board. Additional training sessions on subjects similarly derived from the training needs analysis records are also provided.

12. LEGISLATIVE AND ADVISORY UPDATES

- 12.1. In accordance with statutory requirements, members of the Board have been provided with regular legislative updates together with updates from the Pension Regulator and the Scheme Advisory Board. The following have been provided during 2023-24:
- Firefighters Pensions Schemes Bulletins No. 68 to 79 inclusive, setting out updates and news on a range of issues relating to Firefighters Pensions Schemes.

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DEVON & SOMERSET FIRE & RESCUE AUTHORITY

LOCAL PENSIONS BOARD

DATE OF MEETING	08 July 2024
SUBJECT OF REPORT	SCHEME MANAGER UPDATE
REPORT AUTHOR	HR Rewards & Benefits Manager
EXECUTIVE SUMMARY	<p>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 Scheme Advisory Board.</p>

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 (the Board). 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. The day-to-day managing and administering of the pension schemes and any statutory scheme connected with them, is delegated to the HR Rewards & Benefits Manager.
- 1.2. The Board 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 Board meetings.

2. **GOVERNANCE & STRATEGY**

- 2.1 Please refer to separate agenda item regarding Board membership.

3. **PENSION PROJECTS**

2015 Age Discrimination Remedy (Sargeant)

- 3.1 All retirements being processed now include a 'reformed' and 'legacy' benefit option in relation to the remedy period (subject to eligibility) and the pension pack that is prepared by WYPF is accompanied by a contributions mandate to show the adjustments for contributions, tax relief and interest in relation to the two options available. The figures are run through a calculator issued by the Government Actuary Department.
- 3.2 Those members who are now classified as 'Immediate Choice' (formerly Category 2) have experienced additional delays to receiving their remedial service statements due to some additional issues raised in relation the tax treatment of interest that arises under the public service pensions remedy. On 3 June 2024, the LGA facilitated a Teams call with Chief Fire Officers, scheme managers, and internal pension contacts to discuss the current position. To confirm, the outstanding issue identified only affects members who have received

an unauthorised lump sum i.e. members with legacy FPS 1992 membership who when they retired received an unauthorised lump sum and paid a tax charge. The LGA are continuing to liaise with HMRC and HM Treasury (HMT) on this but advise that as we have now entered a pre-election period, we are unlikely to receive any substantial updates until after the General Election. The June Bulletin (issue 82) from the LGA provides a 'traffic light' categorisation and suggested wording for further communication with those affected. We will work in collaboration with WYPF in the coming weeks to ensure that we are providing appropriate communications to those affected by this matter.

Second Options Exercise (Matthews)

- 3.3 All those who eligible for the second options exercise have been written to, including an 'expressions of interest' form which invites recipients to either request figures or opt out of the exercise.
- 3.4 Where the letters have been returned to sender and Stations have not been able to assist with confirming an alternative means of contact, the Pensions team have used the DWP tracking service to try and send a follow up letter to their most recent registered address.
- 3.5 The GAD calculator and user guide for 'Matthews 2' has been issued – the process is extremely complex and resource intensive (several hours of data input and verification per case) so it has become clear that providing the calculations to the full cohort within the prescribed timeframes is currently a very significant challenge and potential organisational risk.
- 3.6 Additional resource has now been recruited for on a fixed term basis to support delivery of the above activities and the relevant collation of employment history and pay data for each case is currently underway.

4. REPORTING BREACHES OF LAW

- 4.1 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.
- 4.2 There have been no breaches reported since the last Local Pension Board meeting.

5. INTERNAL DISPUTE RESOLUTION

5.1 Within the Firefighters’ Pension Scheme formal complaints are made via the Internal Disputes Resolution Procedure (IDRP). There have been no new complaints under this procedure from FPS members since the last Local Pension Board meeting.

6. PENSION ADMINISTRATOR QUALITY OF SERVICE

6.1 Data submissions are summarised as follows:

(a) Submission of monthly pension reporting to WYPF by the 19th day of the following month:

Due to an extremely high workload in pensions administration and reduced resource there have been occasions where the month end submission has been later than 19th day of the following month. We are currently working with colleagues in DdAT to improve the reporting process going forward.

Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
15-May-23	19-May-23	24-May-23	14-Jul-23	16-Aug-23	21-Sep-23	22-Oct-23	23-Nov-23	02-Jan-24	19-Jan-24	20-Feb-24	27-Mar-24	24-May-24

(b) Notifications of normal retirement and timeframes for submission

i. Pensionable pay data is submitted to WYPF at least 6 weeks prior to the retirement date:

Over the last 6 months (January – June 2024 inclusive) there have been a total of 34 FPS retirements (26 wholetime colleagues and 8 on-call colleagues).

Contract type	Data submitted with 6 weeks + notice	Data submitted within 6 weeks of retirement date
Wholetime	14	12
On Call	1	7

ii. Retirement pack with contributions mandate is issued to member within 5 working days of receipt from WYPF.

For the same dataset as above:

Contract type	Pack provided to member within 5 days of issue	Pack sent more than 5 working days after issue
Wholetime	22	4
On Call	7	1

7. INTERNAL RESOURCING UPDATE

7.1 A Pension Lead role has now been recruited for and the appointee is due to join the Service in September. Tamsin Inglis, who is currently an HRBP within the Service, has been successful in her application for the role of Reward and Benefits Manager and will start in post on 01 August 2024.

ZOE SMYTH
HR Reward & Benefits Manager

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Local Pension Board – Training Log

Updated July 2024

	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>							
Maria Phillips	February 2024	February 2024	February 2024	February 2024	February 2024	February 2024	February 2024
Satnam Singh Rai	June 2020	June 2020	June 2020	June 2020	June 2020	June 2020	June 2020
Cllr Simon Coles							
Shayne Scott	October 2021	October 2021	October 2021	October 2021	October 2021	October 2021	October 2021
<u>Scheme Member Reps</u>							
Phillip Gilbard	December 2021	December 2021	December 2021	December 2021	December 2021	December 2021	December 2021
James Leslie	March 2020	March 2020	March 2020	March 2020	March 2020	March 2020	March 2020
Ben Redwood	October 2020	October 2020	October 2020	October 2020	October 2020	October 2020	October 2020
Gregg Webb							
<u>Support Officers</u>							
Mareena Anderson-Thorne							
Zoe Smyth	September 2021	September 2021	September 2021	September 2021	September 2021	September 2021	September 2021

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Theme	Activity	SI	16-Mar-22	22-Jun-22	14-Sep-22	07-Dec-22	15-Mar-23	21-Jun-23	13-Sep-23	06-Dec-23	13-Mar-24	20-Jun-24	11-Sep-24	04-Dec-24
Administration	Confirmation website up to date	Y	X	X	X	X	X	X	X	X	X	X	X	X
Administration	Correspondence	Y	X	X	X	X	X	X	X	X	X	X	X	X
Administration	LGA Bulletin Overview	Y		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
Governance	LPB Work Programme	Y	X	X	X	X	X	X	X	X	X	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	Risk Register	Y	X	X	X	X	X	X	X	X	X	X	X	X
Training	Training Log	Y	X	X	X	X	X	X	X	X	X	X	X	X
Administration	ABS Feedback				X				X				X	
Governance	Annual Report			X	X			X				X		
Governance	Appointments to the Board		X				X				X			
Governance	Review of Breaches													
Governance	Review ToR			X	X		X				X			
Governance	Roles and Responsibilities			X	X		X				X			
Governance	TPR Annual Survey Results						None				X			
Governance	TPR Annual Survey Return		No 2021/22 survey			None		X				X		
Risk and Assurance	Annual review of internal controls			X			X				X			
Risk and Assurance	LPB Audit Report													
Risk and Assurance	TPR Self Assessment			X				X				X		
Training	Annual Training Needs Analysis				X			X				X		
Training	Induction for new members			X					X				X	

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