

**DEVON & SOMERSET FIRE & RESCUE AUTHORITY**

**LOCAL PENSIONS BOARD**

<b>DATE OF MEETING</b>	<b>08 July 2024</b>
<b>SUBJECT OF REPORT</b>	<b>SCHEME MANAGER UPDATE</b>
<b>REPORT AUTHOR</b>	<b>HR Rewards &amp; Benefits Manager</b>
<b>EXECUTIVE SUMMARY</b>	<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 19<sup>th</sup> 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 19<sup>th</sup> day of the following month. We are currently working with colleagues in DdAT to improve the reporting process going forward.

<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>	<b>Feb-24</b>	<b>Mar-24</b>
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).

<b>Contract type</b>	<b>Data submitted with 6 weeks + notice</b>	<b>Data submitted within 6 weeks of retirement date</b>
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:

<b>Contract type</b>	<b>Pack provided to member within 5 days of issue</b>	<b>Pack sent more than 5 working days after issue</b>
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**