

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

LOCAL PENSIONS BOARD

DATE OF MEETING	15 September 2021
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 that is connected with them, is delegated to the Head of Human Resources.
- 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. Following recommendations made in the 2019 AON review of scheme administration and a subsequent consultation exercise, the LGA has now published a finalised template of an administration strategy. It is proposed that the Service will now review the published strategy and adapt it as required. This matter was previously discussed by the LPB on 9 September 2020 and there was a consensus that, pending the outcome of the consultation, the template should be adopted and existing Board documentation and toolkits adapted accordingly in line with the template. (Note LPB/20/33 refers)

3. PENSION COMMUNICATIONS

- 3.1. At the most recent SLA meeting with WYPF, it was confirmed that 100% of benefit statements had been issued for the Service and the deadline of 31 August had been met.
- 3.2. An additional update to staff regarding the pension reform is planned for later this month.

4. PENSION PROJECTS

Transition Protection Judgement

- 4.1. On 19 July 2021, HM Treasury (HMT) introduced the [Public Service Pensions & Judicial Offices Bill \(PSP&JO Bill\)](#) to the House of Lords. On 26 July 2021, a [House of Lords Briefing Paper](#) was published giving an overview of the Bill and a useful explanation of the policy background. The provisions of the Bill are listed by clause, with a brief description of what each intends to achieve.
- 4.2. Additionally, the [Home Office has published a guidance document](#) and the [LGA has published an update](#) to provide an overview of what the Bill means specifically for the FPS.
- 4.3. Since the last report, the Service has received an additional 9 requests for immediate detriment quotations for retirement before 1 April 2022 (18 in total to date).
- 4.4. At its ordinary meeting on 29 June 2021, the Authority resolved (Minute DSFRA/11 refers) to amend the Authority's discretionary policy on Voluntary Scheme Pays by adding an additional clause (c) (shown in ***bold italics***). The discretionary policy now reads:

That a Voluntary Scheme Pays arrangement be made available to individuals where one or more of the following circumstances apply:

 - (a). *where access to the Voluntary Scheme Pays arrangement for transitional members with service in one of the 1992 or 2006 Schemes and the 2015 Scheme would be the same as the access a protected 1992 or 2006 scheme member, or member with service only in the 2015 Scheme, would have to the Mandatory Scheme Pays arrangement;*
 - (b). *where access to the Voluntary Scheme Pays arrangement is afforded to those Scheme members where the pension growth in one or more schemes is more than their own Tapered Annual Allowance limit but less than the £40,000 Annual Allowance;*
 - (c). ***where access to the Voluntary Scheme Pays arrangement is necessary to meet additional tax charges resulting from an "immediate detriment" remedy.***
- 4.5. At the most recent SLA meeting with WYPF on 31 August, it was reported that the remedy data collection tools were still with the software company commissioned to develop them and had not yet been sent through to the scheme administrators for data population. This means that the current timeline for FRAs to review and confirm the accuracy of data has now been pushed back to early 2022.

O'Brien vs Ministry of Justice

- 4.6. There are no updates regarding the Special Members of FPS 2006 - Second options exercise (previously referred to as the Matthews or O'Brien cases).

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.

6. INTERNAL DISPUTE RESOLUTION

- 6.1. 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 since the last Local Pension Board meeting.

7. PENSION ADMINISTRATOR QUALITY OF SERVICE

- 7.1. The Service continues to have an excellent working relationship with WYPF and both sides are continuing to seek to improve the arrangements that are in place.

8. BOARD MEMBERSHIP

- 8.1. Philip Gillbard, a Crew Manager at Middlemoor and retained Watch Commander at Tiverton, is a new Scheme Member representative from 1 July 2021.

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