

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

LOCAL PENSIONS BOARD

DATE OF MEETING	22 June 2022
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 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. Further to the last Board meeting, this is to report that the governance strategy document has taken longer to complete than originally anticipated and finalisation is currently underway prior to publication on the Pensions section of the Service website.

3. PENSION PROJECTS

2015 Remedy (Sargeant)

- 3.1. Following the letter from HMT on 23 March and the subsequent letter from the NFCC (to all Fire Chiefs) on 25 March, a decision was taken and communicated on 9 May to pause processing Immediate Detriment cases. This was primarily due to the level of uncertainty and risk regarding the potential tax implications for scheme contributions. The HMT and HMRC position on this matter will continue to be closely monitored. It is understood that the LGA is currently seeking further legal advice in relation to HMT's response.
- 3.2. Additionally, the FBU has since written to members on 7 June inviting all Immediate Detriment cases (both active and retired) to register with them in order that all claims can be registered through the Courts.

Matthews / O'Brien Judgement

- 3.3. On 9 March 2022, a Memorandum of Understanding was agreed between the government, the Fire Brigades Union, the Fire & Rescue Services Association, and FRA employers. The regulations to implement the second options exercise in England will be drafted by the Home Office and consulted on before they are laid before Parliament. The Home Office has a maximum period of 18 months to draft, consult, and introduce the necessary secondary legislation. The LGA is now actively working with Fire Authorities to identify those who are in scope. FRAs will be expected to start the second options exercise as soon as possible after the legislation comes into force – expected in the latter part of 2023. The LGA has published a Summary Factsheet on this. The deadline for FRAs to submit initial data regarding those 'in scope' has now been extended to 30 June 2022.

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 since the last Local Pension Board meeting.

6. PENSION ADMINISTRATOR QUALITY OF SERVICE

- 6.1. The Service continues to have a good working relationship with WYPF and both sides are continuing to collaborate and periodically review the arrangements that are in place to identify potential improvements that can be made. Data submissions to WYPF are summarised overleaf.

7. KEY PERFORMNCE INDICATORS

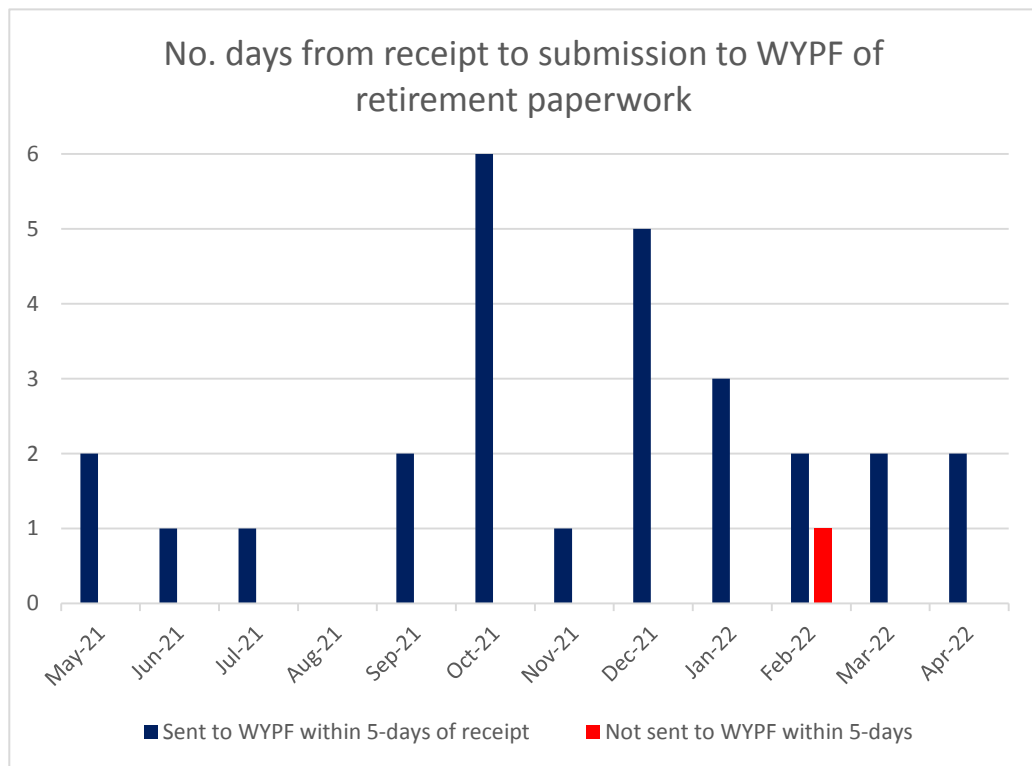
(a) Submission of monthly pension reporting to WYPF by the last day of the month:

7.1. For 11 out of the last 12 months, the Service has achieved this KPI, as detailed below.

Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
28	25	26	26	23	25	26	22	24	01	07	29
May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Mar 22	Mar 22	Apr 22

7.2. It became apparent that the monthly data being submitted to WYPF in Q3 and Q4 of FY21-22 was not being processed and new members were not being assigned with a membership record within the agreed timeframe. We have received confirmation that this issue has now being addressed and we will seek further assurance from WYPF that this will not have a knock-on effect with the production of benefit statements for this year.

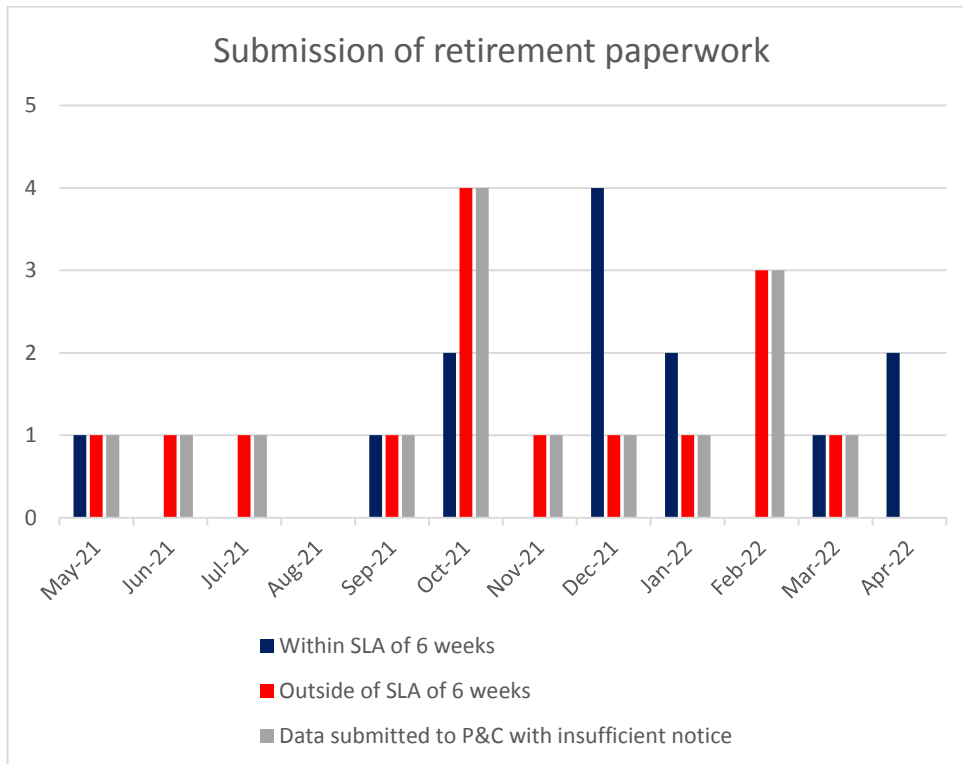
(b) Notifications of normal retirement and timeframes for submission



May is not listed because there were no FPS retirements to record

7.3. During the period since the last report, the Pay & Conditions team have continued to submit notifications of normal retirement to WYPF within the SLA of 5-days of receipt.

7.4. Since the last report, there have been 2 retirements and in both instances the paperwork was submitted within the 6-week SLA.



May is not listed because there were no FPS retirements to record

(c) Pensions Dashboard

7.5. The Pensions Officer is currently reviewing potential data categories (and relevant sources) that can be captured and fed into a ‘Pensions Dashboard’ – examples of data would include opt-out rates and demographics of membership categories and scheme types (age, gender, etc). It is expected that this will provide a central reference point, not only for the LPB but also inform workforce planning discussions within the Service going forward.

8. BOARD MEMBERSHIP

8.1. The recruitment process for a new staff representative has concluded and the appointment of FF Webb (Middlemoor) will take effect from this month.

ZOE SMYTH
HR Rewards & Benefits Manager