

FPS Administration, Management, and Governance Strategy

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1 Introduction

The Devon & Somerset Fire & Rescue Authority (“the Authority”) is defined in law as the Scheme Manager¹ and is therefore responsible for the management and administration of the Firefighters’ Pensions Schemes for scheme members employed by Devon & Somerset Fire & Rescue Service (“the Service”).

Although the Scheme Manager function can be delegated² within the Authority, the Authority retains legal responsibility for the scheme. In its employer role, the Authority will ensure the Service provides pension related functions such as HR, finance, and payroll.

Administration is generally outsourced to a third party. Administration of the scheme has been outsourced to the West Yorkshire Pension Fund (“the Administrator”).

This document is the FPS Administration, Management, and Governance Strategy statement which outlines formal standards and expectations of the Authority and its pensions administrator, along with expectations of the Local Pension Board³ in its role of assisting the scheme manager.

The Authority’s governance policy statement is included at [Appendix 2](#).

The aim of the document is to ensure that a consistent, cost-effective, and high-quality pension service is provided to members, recognising that full and transparent collaboration between stakeholders is key to achieving this aim.

2 Compliance

The following stakeholders have been consulted in the development of this statement:

- the Devon & Somerset Local Pensions Board; and
- West Yorkshire Pension Fund (as outsourced Administrator for the scheme on behalf of the Authority).

The Authority (as Scheme Manager) is the owner of this document, a [copy of which can be found here on the Authority’s website](#).

This strategy does not override any provision contained with the scheme regulations or any administration guidance provided by the Local Government Association (LGA).

The document has been presented, considered, and ratified by the Local Pension Board on 8 December 2021 and applies to all interested parties from this date.

¹ <http://www.legislation.gov.uk/ukxi/2014/2848/regulation/4/made>

² <https://www.legislation.gov.uk/ukxi/2014/2848/regulation/5/made>

³ <http://www.legislation.gov.uk/ukxi/2015/465/regulation/4/made>

3 Review

The strategy will be reviewed following any changes to scheme rules, processes, or procedures which affect this strategy, including a change of administrator, or every three years if this is sooner.

Changes will be made following consultation with the above-named bodies and a copy of the updated strategy will be made available online. Full consultation will not take place when there has been a change of contacts details only in 4.1 or 4.2 below.

Suggestions for improvement to this strategy are welcome from stakeholders at any time.

4 Liaison and communication

4.1 FRA contacts

The Authority (as Scheme Manager) has nominated contacts in the following areas to allow correspondence to be directed to the most relevant individual. These contacts will be provided to the Administrator and the LGA.

Scheme manager (strategic) contact for valuation, scheme consultations, surveys, discretions, and Internal Dispute Resolution Procedure (IDRP) HR Reward & Benefits Manager: pensions@dsfire.gov.uk
Pension liaison contact for day to day administrative duties such as completion of forms, responding to queries, and HR functions HR Pensions Officer: pensions@dsfire.gov.uk
Payroll contact for queries relating to pay, pensionable allowances and contribution payments HR Pay & Conditions Officer: pandcshared@dsfire.gov.uk
Finance contact details finance@dsfire.gov.uk

The scheme manager is responsible for keeping the nominated contacts up to date and providing prompt notification of changes.

4.2 Administrator contacts

The Administrator will provide the following contact information for the Authority and Service scheme members:

<p>Pension Fund representative for regulatory or administration queries, training, advice and guidance</p> <p>Client Relationship Manager: Helen Scargill - helen.scargill@wypf.org.uk</p>
<p>Finance contact to assist with the monthly returns process/ year end</p> <p>Finance Officer: Annette Appleyard - annette.appleyard@wypf.org.uk</p>
<p>Member queries</p> <p>pensions@wypf.org.uk</p> <p>Home page of West Yorkshire Pension Fund (wypf.org.uk)</p>

5 Scheme manager duties and responsibilities

5.1 Discretions

As a matter of best practice, **the Authority (as Scheme Manager) will prepare and publish a written statement on the exercise of discretions** available to it under each set of FPS regulations. The discretions policy will be kept under review and any revised version published within one month of the effective date.

A full list of [scheme manager discretions](#) is available.

5.2 Internal Dispute Resolution Procedure (IDRP)

If a scheme member, prospective member, dependant, or other person with an interest in the scheme, is dissatisfied with a decision (or failure to make a decision) by the Authority there are rights of appeal available. Each set of scheme rules contains arrangements for Internal Dispute Resolution Procedures (IDRP) based on the requirements of the Pensions Act 1995 and the Occupational Pension Schemes (Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008.

Firefighters' Pension Scheme 1992 (FPS 1992)	Rule H3 (as amended by SI 2013/1392)
Firefighters' Pension Scheme 2006 (FPS 2006)	Part 8, paragraph 5
Firefighters' Pension Scheme 2015 (FPS 2015)	Regulation 163
Firefighters' Compensation Scheme (FCS)	Part 6 rule 3

The Authority (as Scheme Manager) has nominated appropriate persons to hear each stage of the appeal and respond to the individual within the specified timescales.

The timescales for each stage are stipulated in the [IDRP factsheet](#) and must be adhered to in order to mitigate further complaint or distress to the member. Failure to comply with timescales could be construed as maladministration and attract a financial award⁴ from The Pensions Ombudsman (TPO).

The nominated decision makers for the Authority are

Stage 1	The Chief Fire Officer
Stage 2	Internal Disputes Resolution Panel (a Panel of four Members of the Authority's People Committee)

5.3 The Pensions Regulator (TPR)

[TPR](#) is a public body established by the [Pensions Act 2004](#) to make sure that pension schemes within the UK are run properly and can provide secure benefits for their members upon retirement. TPR has powers to "educate, enable, and enforce", and is responsible for promoting good scheme administration. The Regulator is sponsored by the Department for Work and Pensions (DWP).

TPR's oversight of public service pension schemes, including the Firefighters' Pension Schemes, was introduced by schedule 4 of the [Public Service Pensions Act 2013](#).

The Authority (as Scheme Manager) will ensure that it is familiar with TPR's [Code of Practice 14: Governance and administration of public service pension schemes](#).⁵

⁴ [TPO – Redress for non-financial injustice factsheet](#)

⁵ TPR is currently consulting on a new modular code of practice which consolidates the existing codes.

Each year TPR issue two requests for information which the Authority (as Scheme Manager) and its Local Pension Board (LPB) will complete:

[Scheme return](#) – the scheme return is a statutory return which allows TPR to keep their register of workplace pension schemes up to date.

The return asks for information about what type of scheme the FPS is and how many members each employer has, as well as requesting up to date contact details.

The return also asks schemes to provide their common and scheme specific data scores, which enables TPR to monitor continuous data improvement. Information on data scoring for the FPS is available below

[Advice on TPR data scoring 2019](#)

[Data score weighting template 2019](#)

TPR can and will take enforcement action if the scheme return is not completed.

[Governance and Administration survey](#) – The Authority (as Scheme Manager) will complete the annual governance and administration survey in conjunction with its LPB. Although the survey is not mandatory, participation is strongly encouraged by both TPR and the Scheme Advisory Board, so that improvements in running the FPS can be monitored and evidenced.

TPR does not take any regulatory action based on survey responses, but overall trends may inform their engagement activity with schemes.

Familiarity with [TPR's six key processes](#) will assist schemes with understanding and compliance.

One of TPR's key areas of focus is record keeping and data quality. **The Authority (as Scheme Manager) will ensure that [data is reviewed annually](#) and that a [data improvement plan](#) is in place.**

Non-completion of either of the above requests for information may indicate wider governance failings to TPR.

5.4 Data transfer

The Authority (as Scheme Manager) will ensure that processes are in place for timely and accurate transfer of data.

Data will be transferred to the Administrator electronically on a monthly basis in line with the deadlines set out in section [Service standards](#).

Data validation and cleansing processes should be in place in accordance with TPR requirements.

5.5 Contribution bands

Banded contribution rates apply to the FPS based on a member's pensionable pay.

The Authority (as Scheme Manager) will ensure that there are processes in place to allocate scheme members to the correct contribution band at the start of each scheme year.

Contributions are laid in legislation for each scheme and can be found on the [annual updates](#) page of the Regulations and Guidance website.

5.6 Reporting breaches

The Authority (as Scheme Manager) and its Local Pension Board members have a statutory obligation to record and report breaches of the law.

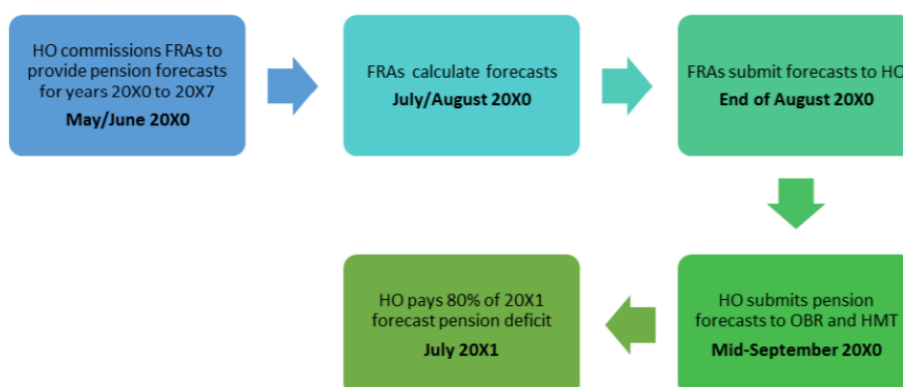
When a potential breach has been identified, the [breach assessment template](#) should be completed to assess the breach for materiality in order to determine whether it needs to be reported to TPR. This can also be stored as documentary evidence if the decision is later challenged.

Although a breach may not seem material in terms of numbers of members affected, if the same members are consistently affected, this should be considered, along with likely timescales for rectification and what action may be taken to ensure that the breach does not reoccur.

Further information about [breach recording and reporting](#) can be found in the [TPR six key processes](#) factsheet.

5.7 Top-up grant

Each year the Home Office commissions FRAs to submit pension forecasts for the following seven financial years in line with the following timescales.



The pension forecasts for the financial year following the collection are used to make an initial assessment on each fire authority's annual top up grant entitlement for that year.

The collection of accurate annual pension forecast data is critical for ensuring sufficient budget cover is secured to make pension top up grant payments to FRAs each year.

The Authority (as Scheme Manager) is responsible for ensuring this information is submitted accurately and on time.

Full details are available in the [guide for fire authorities \(in England\) when calculating pension forecasts for the Firefighters' Pension Top Up Grant](#).

5.8 HMRC reporting

Although the Authority (as Scheme Manager) retains legal responsibility, HMRC reporting has been delegated to the Administrator under the terms of the service level agreement.

Event Reporting – although the Authority (as Scheme Manager) retains legal responsibility, the Administrator must tell HMRC when certain reportable events occur no later than 31 January following the end of the tax year. This is done by submitting the Event Report for a tax year.

These reportable events are split into two categories:

- reportable changes, and
- reportable fund movements.

There are 23 reportable events. [HMRC guidance on sending pension scheme reports](#) provides more information on all events that you must report.

Full details on Event Reporting can be found in [HMRC Pensions Tax Manual 161100](#).

Accounting for tax (AFT) – the Authority is liable for payment of certain tax charges in connection with the scheme. When the Authority does have a tax liability, the return that the must be completed to account for that liability is called the Accounting for Tax return.

The Authority is responsible for ensuring the AFT return it is correct and complete.

A third-party administration provider can file the AFT on behalf of the Authority, but the Authority remains responsible for ensuring that it is submitted on time and the contents are correct. Where a provider submits the AFT on behalf of the Authority, it should have been checked and approved before it is submitted to HMRC. The provider must make a declaration that the Authority has approved the contents before they can submit it to HMRC

Full details on AFT can be found in [HMRC Pensions Tax Manual 162100](#).

5.9 General Data Protection Regulation (GDPR)

The Authority is a Data Controller for pension scheme data under GDPR and must determine how, and for what purposes, data is to be processed.

Resources to assist authorities in complying with their duties under the regulations are available have been made available on the following [dedicated GDPR webpage](#).

The Authority is a Data Controller as part of the Data Protection Act 2018 which incorporates the General Data Protection Regulation (GDPR). This means it stores, holds and manages personal data in line with statutory requirements to enable it to provide pension administration services. To enable it to carry out its statutory duty, the Authority is required to share information with certain bodies but will only do so in limited circumstances. More information about how the Authority holds data and how this may be shared can be found [here on the Authority's Data Protection webpage](#).

5.10 Disclosure

Under the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations, **the Authority (as Scheme Manager) must provide certain information to scheme members within certain timescales.**

Please refer to the [guide to disclosure of information requirements](#) for more information.

5.11 Overriding legislation

In addition to the scheme regulations, **the Authority (as Scheme Manager) will ensure compliance with any overriding legislation in force.**

5.12 Audit

The Authority may commission internal and external audits in maintaining the FPS pension fund account and other pension related matters.

The Authority is required to comply fully with any requests for information from both internal and approved external auditors, including from the Administrator's auditors.

6 Administrator duties and responsibilities

6.1 The Pensions Regulator (TPR)

The Administrator should ensure that it is familiar with TPR's [Code of Practice 14: Governance and administration of public service pension schemes](#)⁶.

6.2 Data standards

The Administrator will ensure that suitable and secure methods of data transfer are available for the Authority to use.

Personal data will only be transferred from one party to the other via an acceptable method specified by the Administrator which may include any of the following:

- a. Data transfer service (Internet based application)
- b. Secure email
- c. Paper forms signed by an authorised officer from the employer
- d. Password protected excel spreadsheet

Data validation and cleansing processes should be in place in accordance with TPR requirements.

6.3 Reporting breaches

The Administrator also has a statutory obligation to record and report any identified breaches of the law.

Refer to [section 6.6](#) for further details.

6.4 HMRC reporting

Although the Authority (as scheme manager) retains legal responsibility, **HMRC reporting may be delegated to the Administrator under the terms of the service level agreement.**

See [section 6.8](#) for more information.

6.5 GDPR

The Administrator holds personal data on behalf of the FRA, including all membership records and bank details of FPS pensioner members.

⁶ As noted above, TPR is consulting on a new consolidated code of practice to replace the existing codes.

The Administrator is therefore a Data Processor for pension scheme data under GDPR and must determine how, and for what purposes, data is to be processed.

6.6 Overriding legislation

In addition to the scheme regulations, **the Administrator will comply with any overriding legislation in force.**

6.7 Audit

The Administrator is subject to an annual audit of its processes and internal controls. **It is proposed that the Administrator's internal audit will provide assurance to the Local Pension Board by auditing the pension administration service provided to the FRA** and that a copy of the audit should be provided to the Authority.

Any subsequent recommendations will be considered and where appropriate implemented following any necessary discussions with the Authority.

The Authority and the Administrator will consult with external auditors to seek acceptance of these proposals.

The Authority may commission internal and external audits and the Authority's internal and/or external auditors may require access to the data held by the Administrator and explanations of the Administrator's internal controls upon which the Authority (as Scheme Manager) relies. Therefore, **the Administrator also has an obligation to comply with any requests from the Authority's auditors.**

6.8 Benchmarking

The Administrator will periodically monitor its costs and service performance against the initial Aon report and any other benchmarking tool which may become available, to ensure that the Authority continues to receive value for money.

Results should be made available to the Authority.

7 Performance reporting

Ensuring compliance is the responsibility of both the Authority (as Scheme Manager) and the Administrator. Both parties should work closely together to ensure compliance with all statutory requirements, whether they are specifically referenced in the regulations, in overriding legislation, or in this administration strategy.

Both Authority (as Scheme Manager) Administrator targets will be measured on a quarterly basis against specific tasks set out in the service level agreement and these will be reported to the Authority via its Local Pension Board.

The Administrator will ensure that it is appropriately resourced to meet the service level agreement in place.

Minimum standards for completing tasks in line with industry good practice and regulations, where applicable, are included at [Appendix 1](#). These are provided as a guide to the minimum requirements.

A key factor in calculating the time taken to complete a process is the point at which the 'time clock' is started. This may be from the date of the relevant event or when the administrator is informed or receives all necessary information. The clock may also need to be 'paused' during the process, for example to await instruction or documentation from the member or employer, and these waiting days can reasonably be excluded from the total time taken.

8 Improving performance

Where areas of poor performance on either side are identified, the Administrator will work closely with the Authority to provide the opportunity for necessary training and development.

Appropriate processes will be put in place to improve the level of service delivery. [An example escalation procedure is shown below, this is intended to apply in case of performance issues identified on either side.]

- Initially, the Administrator will liaise with the Authority (as Scheme Manager) setting out the area(s) of poor performance and how they can be addressed.
- Where no improvement is demonstrated or there has been a failure to take agreed action, the Administrator will write to the Authority (as Scheme Manager) setting out the area(s) of poor performance identified and the steps required/taken to resolve these.
- If lack of improvement continues or there has been ongoing failure to take agreed action, the Administrator will write to the Local Pension Board setting out the area(s) of poor performance identified and the steps required/taken to resolve those area(s).

The Administrator relies on timely and accurate data from the Authority. Where persistent and ongoing failure occurs and no improvement is demonstrated, the Administrator will escalate this to the Authority (as Scheme Manager) via its Local Pension Board as above.

Where a failure by the Authority (as Scheme Manager) to operate in accordance with the standards described in this strategy leads to extra costs being incurred by the Administrator, the Administrator may issue a written notice requiring that these be met by the Authority (as Scheme Manager).

Any third-party costs or regulatory fines incurred by the Administrator solely as a result of poor performance by the Authority (as Scheme Manager) may also be recovered. Such costs may include fines imposed by the Pensions Ombudsman or Pensions Regulator, and additional charges in respect of actuarial or software fees, and additional printing and distribution costs.

If the Administrator fails to operate in accordance with the standards described in this strategy or the service level agreement, the Authority (as Scheme Manager) may consider whether a credit can be offset against the Administrator's annual fee. Alternatively, any fines or additional costs should be met by the Administrator.

In addition to financial penalties, both parties should consider the risk of reputational damage that may arise where a Pensions Ombudsman finding is published in the public domain and/or any fines are publicised.

These recommendations do not override the legal position and contractual relationship between the Administrator and the Authority (as Scheme Manager).

9 Service standards

The FRA and administrator responsibilities expected in relation to member events are outlined in the table below. Minimum standards for completing each task in line with industry good practice and regulations, where applicable, are included at [Appendix 1](#).

Function/ task: New starters	
Employer responsibility	Administrator responsibility
<p>Ensure pension information is included in new starter documentation e.g. appointment letter, contract of employment.</p> <p>Ensure eligible new starters are put into the scheme from their start date.</p> <p>Provide accurate member data to the administrator on the monthly return to Scheme Administrator within 3 weeks of payslip date.</p> <p>Provide starters with a new member form and access to a scheme guide with their contract of employment.</p> <p>Determine the correct contribution band and rate for the member.</p> <p>Inform the administrator of any eligible employees subject to automatic entry, who opt out of the scheme within three months of joining.</p> <p>Process payroll refunds for these members.</p>	<p>Create accurate member records on the pensions administration system following notification of a new entrant to the scheme.</p> <p>Provide new members with confirmation of joining (within 2 weeks of notification).</p> <p>Record and update member data on the pension administration system following the receipt of a completed new member form.</p>

<p>Where there is more than one contract of employment with the same employer, each membership shall be treated separately for the purposes of the above.</p>	
Function/ task: Change in circumstances (active members)	
Employer responsibility	Administrator responsibility
<p>Inform the administrator of all material changes in circumstance on the monthly return to Scheme Administrator within 3 weeks of payslip date.</p> <p>Changes may include</p> <p>Personal information:</p> <ul style="list-style-type: none"> • Change of name or address • Marital status • National insurance number <p>Conditions of employment affecting pension such as:</p> <ul style="list-style-type: none"> • Contractual hours • Changes in pay • Contribution rate • Periods of reduced pay or unpaid absence <p>During periods of reduced or nil pay as a result of sickness, injury or relevant child related leave (i.e. ordinary maternity, paternity or adoption leave or paid shared parental leave and any paid additional maternity or adoption leave) assumed pensionable pay should be applied for pension purposes.</p> <p>N.B. As an increase in pay may cause a member to exceed their Annual Allowance, the administrator must be informed of:</p> <ul style="list-style-type: none"> • Promotions • Additional allowances 	<p>Accurately update member records on the pensions administration system.</p>

Function/ task: Annual return, Valuation,		Annual Benefit Statements (ABS)	
Employer responsibility		Administrator responsibility	
<p>Ensure the administrator receives accurate year to date information to 31 March by the end of May that year.</p> <p>Provide the administrator with details of all CPD, temporary payments deemed pensionable and details of any temporary promotions from 1 July previous year to 30 June current year by 19th of the following month, to enable the appropriate APB to be calculated and awarded, where applicable</p> <p>Provide any additional information that may be requested to produce ABS for service up until the 31 March in each particular year within 4 weeks of request.</p> <p>Provide the administrator with up to date and correct information as and when requested in accordance with agreed timescales and the regulations.</p> <p>Ensure that all errors highlighted from the annual contribution and pensionable pay posting exercise are responded to and corrective action taken promptly.</p> <p>Completion of GAD information for IAS19 purposes</p>		<p>Process employer year end returns and produce ABS for all active members by 31 August.</p> <p>Highlight if an individual has exceeded their annual allowance and issue a pensions saving statement by 6 October.</p> <p>Produce ABS for all deferred members by 31 May (no information from employers is required).</p> <p>Provide data to the scheme actuary to carry out the 4-year valuation of the scheme.</p> <p>Completion of GAD information for IAS19 purposes</p>	
Function/ task: Estimates		(Retirements/ Transfers)	
Employer responsibility		Administrator responsibility	
<p>Determine reason for estimate and provide fully completed request including pay and other relevant information to the administrator.</p> <p>Direct members to any available online self-service facility.</p>		<p>Issue individual quotations/information after all information required to process a quotation has been received.</p> <p>Provide information to the scheme member on any potential transfer in of benefits once all information required to process the quotation has been received (transfer estimate from other pension provider, contracting out, salary details etc).</p> <p>Maintain and promote any available self-service facility which allows members to view their pension information online.</p>	

Function/ task: Estimates (Divorce)	
Employer responsibility	Administrator responsibility
Provide fully completed request including pay and other relevant information to the administrator, within 10 working days of the request.	Issue divorce information including the CETV within 3 months of receipt of the request from the member or the Court.
Function/ task: Retirements	
Employer responsibility	Administrator responsibility
<p>Submit the relevant, fully completed retirement form to the administrator as soon as the information is available.</p> <p>On request, provide the calculation of final pensionable pay so that the accuracy of the pay figure can be checked.</p>	<p>Return any form appearing to be incorrect to the FRA for amendment as soon as reasonably possible.</p> <p>Issue an initial offer letter and benefit information to the member within 5 working days of receiving the correct completed form.</p> <p>Issue a letter confirming actual retirement benefits within 5 working days of receiving completed documentation from the member.</p> <p>Make payment of any lump sum within 5 working days of receiving all relevant completed forms and proof of identity from the member, or on the retirement date if this is later.</p> <p>Make monthly pension payments on the relevant payment date of each month following retirement, including any arrears due. Payment dates may be adjusted to weekends and bank holidays.</p>
Function/ task: Retirements – ill-health	
Employer responsibility	Administrator responsibility
<p>Determine whether the member is entitled an ill-health award after obtaining a medical opinion from an Independent Qualified Medical Practitioner (IQMP) on the relevant scheme certificate and if so, which tier – upper or lower.</p> <p>Submit the relevant, fully completed retirement form to the administrator as soon as the information is available,</p>	<p>Calculate and pay the required benefit in line with the above timescales.</p> <p>Review Injury Award pensions on an annual basis to ensure the correct DWP deductible benefits have been taken into account if this falls within the SLA.</p>

<p>including a copy of the IQMP certificate and confirmation of the relevant tier.</p> <p>On request, provide the calculation of final pensionable pay so that the accuracy of the pay figure can be checked.</p> <p>Make the appropriate payment into the notional pension fund:</p> <p>2 x final pay for lower tier 4 x final pay for upper tier</p> <p>Conduct ill-health reviews at the appropriate intervals as specified in the scheme regulations and notify the administrator of any changes.</p> <p>Review Injury Award pensions on an annual basis to ensure the correct DWP deductible benefits have been taken into account.</p>	
Function/ task: Leaving before retirement – deferred benefits	
Employer responsibility	Administrator responsibility
<p>Notify the administrator using the relevant leaver form, ensuring all information is accurately provided, within 4 weeks of the final payslip.</p> <p>N.B. This includes members opting out with more than three months' service.</p> <p>Pay any refunds due within 10 working days of notification from the administrator.</p> <p>Pay any transfer payment due within 10 working days of notification from the administrator.</p>	<p>Accurately update member records on the pensions administration system.</p> <p>Notify the member of their deferred benefit entitlement and options within 2 months of receiving the correctly completed leaver form.</p> <p>Calculate a refund to an eligible member within 10 working days of receiving all relevant documentation and notify the employer.</p> <p>Issue one transfer-out quotation, guaranteed for 3 months, within 10 working days of receiving all the information required.</p> <p>Notify the employer of the amount to pay for transfer-out within 5 days of receipt of request from member.</p>

Function/ task: Members with deferred benefits	
Employer responsibility	Administrator responsibility
<p>Keep adequate records for deferred members in case of a request for early payment.</p> <p>Following an application from a former member to have their deferred benefits paid early in ill-health grounds, obtain a medical opinion from an IQMP on the relevant certificate, and determine whether the member is eligible.</p> <p>Submit the relevant, fully completed form to the administrator, including a copy of the IQMP certificate.</p>	<p>Accurately update member records on the pensions administration system.</p> <p>Provide each deferred member with an annual statement of benefits, updated by the pensions increase award when applicable.</p> <p>Calculate and pay required benefits in line with the above timescales for retirement.</p>
Function/ task: Death in service	
Employer responsibility	Administrator responsibility
<p>Inform the administrator immediately following the death of a member using the appropriate means, providing details of the next of kin (if known).</p>	<p>Send an acknowledgement letter to the next of kin within 5 working days of notification of death.</p> <p>Provide a letter to dependants confirming the benefits payable within 5 working days of receiving all certificates, proof of identity, and relevant completed forms.</p> <p>Assist the FRA and the next of kin by ensuring that benefit options and payments are expedited in an appropriate and compassionate manner.</p> <p>Review children's pensions at age 18 or annually if continue in full time education to age 23.</p>
Function/ task: Death on pension	
Employer responsibility	Administrator responsibility
<p>Where the FRA is made aware of the death of retired member, ensure that the administrator has been notified of the death to avoid overpayment of pension.</p>	<p>Send an acknowledgement letter to the next of kin within 5 working days of notification of death.</p> <p>Provide a letter to dependants confirming the benefits payable within 5 working days of receiving all certificates, proof of identity, and relevant completed forms.</p> <p>Where the administrator is made aware of the death of a retired member, ensure</p>

	<p>the employer has been notified of the death to enable records to be updated accordingly.</p> <p>Assist the FRA and the next of kin by ensuring that benefit options and payments are expedited in an appropriate and compassionate manner.</p>
Function/ task: Purchase of added pension	
Employer responsibility	Administrator responsibility
<p>Provide member with factsheet and quotation form on request. Form to be returned to the administrator.</p> <p>Arrange payroll deductions as advised by administrator.</p>	<p>Provide quote and election form to member within 10 working days of receipt of completed request.</p> <p>Advise employer of start date of contract and deductions from pay.</p> <p>Maintain a record of additional pension contracts.</p> <p>Pay the relevant benefits alongside main scheme benefits at retirement/ transfer-out.</p>

10 Local Pension Board responsibilities

Local Pension Boards were required to be established by the 1 April 2015 under the provisions of [Section 5 of the Public Service Pensions Act 2013](#) and regulation 4A of [The Firefighters' Pension Scheme \(Amendment\) \(Governance\) Regulations 2015](#).

The regulations state that each FRA must have an equal number of employer and member representatives, with a minimum of four members in total. Members are expected to have a sufficient degree of knowledge and understanding of the pension scheme to allow them to fulfil their role, which is to assist the scheme manager in complying with the pension scheme rules.

The LGA Bluelight pensions team can provide annual training for boards at a local or regional level. TPR also offers a series of courses on the [Public Service toolkit](#), to help those involved in scheme governance to improve their knowledge.

The Firefighter's Pensions (England) Scheme Advisory Board (SAB) website holds a range of [resources](#) that have been developed to facilitate the effective running of Local Pension Boards.

Appendix 1. Standard timescales

Minimum standards for completing tasks in line with industry good practice and regulations, where applicable. These are provided as a guide to the minimum requirements. Any tasks with statutory deadlines have been flagged. As a matter of best practice, administrators may want to implement shorter local timescales.

Please see [Performance reporting](#) for more information.

Local arrangements between the Authority (as Scheme Manager) and the Administrator and in line with SLAs will override any suggested standard timescales.

Work-flow/ task	Standard (working days)	Statutory
Respond to queries from scheme members or the FRA/ administrator	5 days	No
New starters processed	10 days	2 months
Changes in details processed	10 days	No
Active ABS issued	31 August (where year-end on time)	Yes
Deferred ABS issued	31 May (or in line with active ABS)	Yes
Year-end queries to FRA	1 month	No
Pension saving statements	6 October	Yes
Retirement estimates	10 days	No
Divorce estimates	10 days	3 months
Transfers in	15 days	2 months
Transfer out estimates	10 days	3 months
Transfers out	10 days	6 months
Refunds paid	5 days	2 months
Deferred benefits calculated	2 months	Yes
Retirement options sent	5 days	2 months

Retirement benefits processed for payment	5 days (or by retirement date if sooner)	No
Deferred benefits paid	5 days	No
Death notification processed	5 days	2 months
Dependants benefits paid	5 days	No
Death grant paid	5 days	No
Retirement lump sum paid	5 days	No
Payments recalled due to death	12pm day before payroll	No
Changes to bank details	Payroll cut off	No

Appendix 2. Governance Policy Statement

The Devon & Somerset Fire & Rescue Authority

FPS Governance Policy Statement

The Public Service Pensions Act 2013 set out new governance arrangements for all public service schemes with effect from 1 April 2015, including the requirement for each public service scheme to have a **Scheme Manager** and a **Local Pension Board** in place.

Scheme Manager

The term “Scheme Manager” is defined in law as the person responsible for **managing and administering** a pension scheme. The Firefighters’ Pension Scheme (FPS) Governance Regulations provide that for the FPS, the Scheme Manager is the appropriate Fire & Rescue Authority⁷.

Therefore, for the FPS in the Devon & Somerset Fire & Rescue Service, the Devon & Somerset Fire & Rescue Authority is the Scheme Manager.

The Scheme Manager function may be delegated within the relevant Fire & Rescue Authority⁸.

The Devon & Somerset Fire & Rescue Authority has delegated the Scheme Manager function to the Co-Head of People Services.

Local Pension Board

The FPS Local Pension Board (“the Board”) was established from 1 April 2015 by the Devon & Somerset Fire & Rescue Authority at its meeting held on 20 February 2015.

The terms, structure and operational procedures of the Board are set out in the Board’s Terms of Reference, included in Appendix 3 of this document

The role of the Board is to assist the Devon & Somerset Fire & Rescue Authority as Scheme Manager⁹:

- to secure compliance with the FPS Regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed in relation to the FPS by the Pensions Regulator; and
- to ensure the effective and efficient governance and administration of the FPS.

The Board provides oversight of these matters and, accordingly, it is not a decision-making body in relation to the management or administration of the FPS but makes recommendations to assist in such management.

⁷ <https://www.legislation.gov.uk/ukxi/2014/2848/regulation/4/made>

⁸ <https://www.legislation.gov.uk/ukxi/2014/2848/regulation/5/made>

⁹ <https://www.legislation.gov.uk/ukxi/2015/465/regulation/4/made>

Governance objectives

- To ensure robust governance arrangements are in place to facilitate informed decision making supported by appropriate advice, policies and strategies;
- To ensure the FPS is administered and its services delivered by people who have the appropriate knowledge and expertise;
- To ensure compliance with all appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance; and
- To identify and manage potential and actual conflicts of interest.

Appendix 3: Local Pension Board Terms of Reference

Devon and Somerset Fire and Rescue Authority

Statement of Purpose

The purpose of the Local Pension 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, as follows:

- a) To ensure robust governance arrangements are in place to facilitate informed decision making supported by appropriate advice, policies and strategies;
- b) To ensure the FPS is administered and its services delivered by people who have the appropriate knowledge and expertise;
- c) To ensure compliance with all appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance; and
- d) To identify and manage potential and actual conflicts of interest.

Duties of the Board

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

The Board will comprise an equal number of employer and member representatives with a minimum requirement of no less than four in total.

Member representatives

Four member representatives shall be appointed to the Board.

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.

Employer representatives

Four employer representatives shall be appointed to the Board

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

Other invitees

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;

Any other appointments shall have regard to the best interests of the purpose of the Board.

Appointment of Chairman

The Board will appoint a Chair from its members annually at the first meeting of the Board following the Authority's Annual Meeting.

The duties of the Chair should be in accordance with the duties of a Chair within the Authority.

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

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

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.

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)

Knowledge and understanding must be considered in light of the role of the Board to assist the Authority in line with the requirements outlined 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. 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.

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

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.

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.

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.

Board membership may be terminated prior to the end of the term of office in the event of:

A member representative appointed on the basis of their membership of the scheme no longer being a member of the scheme;

A member representative no longer being a member of the body on which their appointment relied;

An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;

The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.

Notice Periods

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

Meetings

The Board shall meet quarterly.

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

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

The Chair shall determine when consensus has been reached.

Where consensus is not achieved, this should be recorded by the Chair.

Support for Core Functions

In support of its core functions the Board may:

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

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

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.

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

In these terms:

- 'the Scheme' means the Firefighters' Pension Scheme; and '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.

Nolan” Principles of Public Life

- 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.

Devon and Somerset Fire and Rescue - Core Values:

