

**LEICESTER, LEICESTERSHIRE AND RUTLAND COMBINED FIRE
AUTHORITY
LOCAL PENSION BOARD**

To: Members of the Local Pension Board

Mr. N. Bannister CC

Cllr. S. Barton

Graham Vaux, Leicestershire Fire and Rescue Service

Adam Taylor, Leicestershire Fire and Rescue Service

Copies by email to:

Other Members of the Combined Fire Authority for information only

CFO and ACFO

Pension Scheme Manager, Leicester City Council

West Yorkshire Pension Fund

Dear Sir/Madam,

You are invited to attend a meeting of the **Leicester, Leicestershire and Rutland Combined Fire Authority's Local Pension Board** which will be held on **TUESDAY 12 MARCH 2024** at **10.00am** at **County Hall, Glenfield, Leicester, LE3 8RA** for the transaction of business set out on the attached Agenda.

Yours Faithfully



Lauren Haslam
Monitoring Officer



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**LEICESTER, LEICESTERSHIRE AND RUTLAND COMBINED FIRE
AUTHORITY
LOCAL PENSION BOARD
12 MARCH 2024 at 10.00am**

Location **Guthlaxton Committee Room, County Hall, Glenfield.**

Officer to contact **Gemma Duckworth (Tel. 0116 305 2583)**

E-Mail **gemma.duckworth@leics.gov.uk**

AGENDA

<u>Item</u>	<u>Report by</u>
1. Apologies.	
2. Minutes of the Local Pension Board meeting held on 16 November 2023.	(Pages 3 - 6)
3. Conflicts of Interest.	
4. Scheme Manager's Update.	The Pension Scheme Manager (Pages 7 - 52)
5. Scheme Administrator's Update. A verbal update will be received from the Scheme Administrator.	
6. Employee Representative's input. A verbal update will be received from an employee representative.	
7. Date of next meeting. The next meeting of the Local Pensions Board will be held on 4 September 2024 at 10am at Leicestershire Fire and Rescue Service Headquarters.	
8. Any other business.	

Minutes of a meeting of the Leicester, Leicestershire and Rutland CFA - Local Pension Board held at Leicestershire Fire and Rescue Service Headquarters on Thursday, 16 November 2023.

PRESENT

Mr. N. D. Bannister CC (in the Chair)

Councillor M March
Darren Weston

Adam Taylor

In attendance

Callum Faint, Chief Fire and Rescue Officer
Paul Weston, Assistant Chief Fire and Rescue Officer
Judi Beresford, Assistant Chief Fire and Rescue Officer
Colin Sharpe, Pension Scheme Manager, Leicester City Council
Helen Scargill, West Yorkshire Pension Fund
Gemma Duckworth, Senior Democratic Services Officer
Aqil Sarang, Democratic Services Officer

1. Appointment of Chairman.

At the Leicester, Leicestershire and Rutland Combined Fire Authority meeting held on 21 June 2023, Mr. N. Bannister CC was nominated as Chairman Elect of the CFA's Local Pension Board.

It was moved and seconded that Mr. N. Bannister CC be elected Chairman of the CFA Local Pension Board for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2024.

RESOLVED:

That Mr. N. Bannister CC be elected Chairman of the CFA Local Pension Board for the period ending with the date of the Annual Meeting of the Combined Fire Authority in 2024.

Mr. N. Bannister CC – in the Chair

2. Apologies.

Apologies were received from Councillor S Barton and Graham Vaux.

3. Minutes.

The minutes of the Local Pension Board held on 25 January 2023 were taken as read, confirmed and signed.

4. Conflicts of Interest.

The Chairman invited members who wished to do so to declare conflicts of interest in respect of items on the agenda.

No declarations were made.

5. Scheme Manager's Update.

The Board received a report of the Pension Scheme Manager which provided an update on the local management and administration of the Firefighters Pension Scheme. A copy of the report marked 'Agenda Item 4' is filed with these minutes.

Members were informed that no breaches had been identified. The risk register had been reviewed, with no significant changes proposed.

It was noted that there was a high volume of work to complete by March 2025, albeit with limited skilled staff resources. The national calculator tools and pension statement formats were still being developed and challenges remained in accessing historical data. It was anticipated that locally, Leicestershire would be in a position to deliver, but the uncertainties and risks both locally and nationally were recognised.

Arising from the discussion, the following points were raised:

- i) In response to a question around whether legal advice had been obtained on injury to feelings compensation, it was noted that this was a national issue and a level of compensation had already been agreed. It had now been confirmed that HM Treasury had accepted responsibility for funding, and therefore any compensation would not be at a cost to the FRA. Despite this, there was a resource issue to identify claimants (some of whom were not union members) and make any payments. Agreements between the FBU and the Home Office would determine the level of compensation which might be paid via the FRA's, with the money being provided by the Home Office.
- ii) There was some concern that those who were not members of a relevant union when the claims were submitted could consider the fact that they had been unable to make a claim via that route discriminatory. It was noted that the LGA might provide a suitable route to enable these individuals to make a claim, should they wish.
- iii) Following a query of what was anticipated by March 2025, it was noted that there would still be a degree of uncertainty. It was felt that there could be further challenges and much related to the individual circumstances.
- iv) The Scheme Manager reported that the Matthews second options exercise was complicated and could present further future challenges. There was a requirement of March 2025 for this to be completed.
- v) Members of the Board drew attention to paragraph 37, which referenced a specific case which was subject to specific legal proceedings. The Scheme Manager and the Monitoring Officer provided assurances that steps were being taken to bring this to a satisfactory conclusion as soon as possible.
- vi) The workload and capacity to enact all the changes and meet statutory deadlines were steep, but the small team was focussed on the short turnarounds. Thanks were given to the team for the work undertaken so far.

RESOLVED:

It was moved by Mr N Bannister CC and seconded by Councillor March that the update be noted.

6. Scheme Administrator's Update.

The Board received an update from West Yorkshire Pension Fund (WYPF) as the Pension Scheme Administrator on the administration of the Firefighter Pension Scheme since the last meeting. A copy of the report marked 'Agenda Item 5' is filed with these minutes. Along with the information provided in the report, members were informed of the following:

- Confirmation had been received from the Home Office in relation to the CARE revaluation rate, with HM Treasury advising that the published rates for 2021/22 were incorrect. The Home Office had issued a statement of intent to say that administrators could recalculate to include the correct rates, which were expected to be formally issued in due course. It was noted that lots of work would need to be undertaken to ensure everyone's pensions records were correct and that this was not to the detriment of scheme members.
- A high percentage of inaccurate and/or incomplete ill health claims had been reported in November across all of WYPF's clients, although it was thought that this would be a small sample and it was unknown whether any were from Leicestershire. Assurance was given that there would have been correspondence around individual cases and the Scheme Administrator reminded the Board that the responsibility for the ill health process, up to the point of the pension being paid, lay with the FRA. The Scheme Manager assured the Board that processes within Leicestershire were being checked.

RESOLVED:

It was moved by N Bannister CC and seconded by Councillor March that the update provided on the administration of the firefighter pension scheme be noted.

7. Employee Representative's input.

There was nothing further to report.

8. Date of next meeting.

The date of the next meeting would be confirmed.

10.00 - 11.04 am
16 November 2023

CHAIRMAN

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Status of Report: Public

Meeting: Local Pension Board

Date: 12 March 2024

Subject: Scheme Manager's Report

Report by: The Scheme Manager

Author: Colin Sharpe, Scheme Manager

For: Discussion

Purpose

1. To provide an update on the management of the Firefighters' Pension Scheme.

Recommendation

2. The Local Pension Board is asked to note this update and make any comments to the Chief Fire and Rescue Officer, Scheme Manager and/or the CFA.

Executive Summary

3. The Board has previously received updates on the Sargeant/McCloud age discrimination remedy process and the Matthews second options exercise for on-call firefighters.
4. National regulations for both took effect from 1 October 2023, with an 18-month implementation period. Therefore, the focus remains firmly on delivering both remedy and second options. However, there continue to be numerous complexities, with issues arising nationally and questions of detail continuing to emerge that cannot be resolved locally.
5. Sargeant/McCloud relates to age discrimination held to have arisen from the transitional protection arrangements upon the introduction of the 2015 scheme; whilst Matthews second options relates to certain former and current on-call firefighters who will now be able to buy back 2006 scheme membership from the start of their service (which in some cases stretches back to the 1960s), as part time workers.
6. The Finance and HR teams continue to process day to day pensions work and the gathering of significant volumes of data relating to both the remedy and second options. This is required so that the Scheme Administrator, West Yorkshire Pension Fund (WYPF), can process the necessary pensions adjustments and so that full time and on-call firefighters can be properly and accurately informed of the financial implications of the choices open to them. This remains an ongoing challenge in terms of staff availability and skills/ experience. Anecdotally, Leicestershire seems to be in a good position relative to the FRAs nationally, although on the ground things continue to feel very pressured with a lot of priority work still to do.

7. Government has confirmed that the presently accepted claims for 'Injury to Feelings' compensation, arising from the age discrimination, will be paid nationally. The Board may recall this relates to compensation for anger, distress, anxiety etc. and for any out-of-pocket losses. However, the accepted claims do not cover all personnel who may feel aggrieved, therefore further legal proceedings remain a distinct possibility.
8. The connection deadline for the new national Pensions Dashboard is 31 October 2026. An updated 'staging timeline' will be set out in guidance, with Fire schemes expected to connect in the summer of 2025, which in practice is primarily a task for WYPF as administrator. The dashboard is intended to enable people to find summary details of all their pensions in one place. Further details can be found at <https://www.pensionsdashboardsprogramme.org.uk/>.
9. The Pensions Regulator has published the results of the 2022/23 governance and administration survey. This measures six processes as key indicators of public pension scheme performance. Some 67% of fire schemes reported having all six processes in place, a reduction from 74% in 2021. The Scheme Manager will review a factsheet published by the Regulator to identify any particular areas for development locally. The Regulator has also produced a new General Code intended to provide one set of clear, consistent expectations on scheme governance and administration; this was laid in Parliament in January.
10. There has been one breach for the period to 1 November 2023 to 29 February 2024 to draw to the Board's attention. This relates to the 'warm up' letters sent in December 2023 to former retained personnel expected to be eligible for the Matthews second options exercise, and which have been returned as no longer at the address. The Board's attention is further drawn to the increasing risk of delays to the national timetable for implementing the age discrimination remedy.
11. The Scheme Manager has not made any individual decisions since the November meeting of the Board.
12. The risk register has been reviewed and updated and is attached at Appendix B.

Background

Local Management and Administration

13. The local management and administration of the scheme continues. The Finance and HR teams continue to process day to day pensions work.
14. Aside from the day-to-day work, the team has continued to focus on gathering of past pay data relating to the age discrimination remedy (Sargeant/McCloud) and the on-call firefighters second options exercise (Matthews). This is required so that WYPF can process the necessary pension adjustments and so that full time and on-call firefighters can be properly and accurately informed of the financial implications of the choices open to them.

15. A significant exercise in December 2023 was sending out the Matthews second options 'warm up' letters to 372 former and current retained personnel. January and February have seen the team working on the responses.
16. The Government Actuary's Department (GAD) has made available the second version of online calculators to determine retrospective employee contributions, interest and tax. This version includes support for members who purchased service under the Matthews first options exercise in 2014. Later iterations will continue to address identified issues, add functionality and increase the scope of cases that can be processed. However, some specific circumstances require manual calculations and/or specialist advice; officers will need to ensure these are identified and not processed via the calculator.
17. Data gathering and analysis therefore remains a substantial task. Even at the more basic level, some knowledge of fire pensions and payroll is required. Staffing resources generally, reliance on a handful of key individuals and the availability of national tools remain a key risk area. Two finance team members remain dedicated to the operation, with more senior colleagues providing guidance, oversight and review. Overtime is again being worked, to speed up data gathering and input. The Scheme Manager is taking an enhanced overview role, with greater focus on some of the detail, following the recent departure of the Finance Manager.
18. As previously reported, the data collection task has not been helped by the change of payroll provider and pension administrator in 2020. This has limited the automation of data extraction, necessitating manual trawling of pay, pension and tax records. Some questions regarding the availability of transferred records have arisen more recently.
19. Remedy datasets relating to each affected firefighter have recently been completed and supplied to WYPF. The remedy focus is now on completing the GAD calculators, working through the categories.
20. The Pensions Act 2004 requires that The Pensions Regulator be informed of breaches of the law where that breach is likely to be of material significance. No reportable breaches have been identified for the period 1 November 2023 to 29 February 2024. However, the Board's attention is drawn to a less significant breach relating to the 'warm up' letters sent in December 2023 to former retained personnel expected to be eligible for the Matthews second options exercise, and which have been returned as no longer at the address. This constitutes a breach as these individuals did not receive the notification by the deadline of 31 December 2023. As at the time of writing the report, six such letters had been returned, out of 372 sent. In reality, the actual number may well prove to be higher.
21. The Scheme Manager has not taken any individual decisions since the last Board meeting. However, the Board is asked to note there are ongoing determinations of the relevant employment start date for former retained personnel in the Matthews second options exercise, where older records no longer exist or are inconclusive.

Regional and national updates and communications

22. Meetings continue to be held with the Regional Adviser and with colleagues at Derbyshire and Nottinghamshire. Staff attend the LGA 'coffee mornings', where general updates are provided, together with a focus on particular topics. The Regional Adviser recently spent a day at Birstall HQ working through Matthews second options responses with the Scheme Manager and the team.
23. Staff also attend meetings with WYPF as the scheme administrator. A tailored monthly client report is received, which provides useful general administrative information, local scheme statistics and enables any specific issues to be picked up and addressed. The January report is attached as Appendix A. There are no particular concerns to highlight, although the pressure on administrators and the need to prioritise work is evident. The Board will receive an update from the WYPF representative.
24. The Regional Adviser and WYPF presented an online 'roadshow' for scheme members across the three FRAs on 13 November. This covered the fine detail of the Sargeant/McCloud remedy, retirement options and a short introduction to the Matthews second options buy-back exercise. The event was recorded and made available online, along with a detailed presentation on the Matthews second options exercise.
25. The LGA is moving to national quarterly training and update sessions for LPB members, replacing the offer for each FRA to receive annual training. Details have recently been published and Board members are encouraged to attend.
26. The Board may also be interested to note that the LGA has recently coordinated a periodic data collection for the Home Office on firefighters who have opted out of pension scheme membership; and the team has submitted the first iteration of a new quarterly return tracking the progress of the Matthews second options exercise for the Home Office and GAD. In addition, HMRC has requested data regards the Matthews first options exercise in 2014, for national insurance adjustment purposes. The status of this exercise is less than clear, and further details have been requested from HMRC.

Age Discrimination remedy (Sargeant / McCloud)

27. By way of a recap, following an employment tribunal and subsequent appeals, the transitional protections related to the 2015 Firefighters' Pension Scheme were found to be age discriminatory. In essence, younger members transferred to the 2015 scheme on 1 April 2015, and did not benefit from the protection afforded to older members who remained in their final salary legacy scheme for a further period until retiring or transferring later into the 2015 scheme. As expected, new Regulations came into effect on 1 October 2023. These both allow and require the age discrimination remedy to be properly addressed, including mitigating previous tax complexities and risks. Locally, circa 570 personnel are in scope.
28. LFRS suspended 'tapering' the remaining (older) members from their legacy 1992/2006 scheme into the 2015 scheme in April 2021. These members who then retired by March

2022 did so in the scheme which was the most beneficial to them, usually their legacy scheme. Hence, no remedy is now required for these.

29. All members who had not tapered and had not retired at 31 March 2022 became active members of the 2015 scheme on 1 April 2022, by default. The 2015 scheme then became the only active scheme, so all serving personnel are now in the 2015 scheme (unless they have opted out completely).
30. Those scheme members who retired after being transferred into the 2015 scheme (i.e. before tapering was suspended) are now entitled to the immediate detriment remedy – as they may have been better off retiring under their legacy final salary scheme (1992 or 2006) than the 2015 scheme. They can now choose to revert to their legacy scheme for the remedy period (April 2015 – March 2022), with their pension benefits adjusted accordingly. These are known as 'immediate choice' members.
31. The Regulations also enable members retiring from 1 October 2023 onwards to decide whether to retire in the 2015 scheme or their legacy scheme for service to March 2022. These are known as 'deferred choice' members. For on-going pension management purposes, such members must be rolled back into their relevant legacy scheme for service to 31 March 2022. When coming up to retirement, they will choose whether to do so in the legacy scheme or the 2015 scheme for the remedy period, which will be informed by their circumstances at that future time.
32. The Regulations specify the provision of Remedial Service Statements (RSS), which set out the pension benefits payable under the legacy scheme and under the 2015 scheme.
33. The LGA issued an indicative timetable for sending out an RSS to pensioner members who retired on or before 30 September 2023 and have service within the remedy period (immediate choice pensioners). This can be seen in a table at <https://fpsmember.org/remedy/what-remedy>. These members and beneficiaries will need to receive an RSS before they can make their immediate choice and receive any higher pension payments. The Board is, however, asked to note that the earlier parts of this timetable are now expected to slip, due to more recent national complexities. The implications for a specific local case are also under review.
34. These complexities fall into three main areas. Firstly, HMRC and Treasury recently and unexpectedly announced that the interest owed to scheme members by FRAs on remedy payments would be subject in part to tax at the Unauthorised Payment rate of 40%, rather than the individual's personal tax rate, which for around half of affected people is 20%. This has led to a pause in the processing of remedy payments, whilst the implications are explored nationally by LGA. Secondly, RSS statements generally are becoming more complex, delaying them being made available for administrators to use. Thirdly, software updates for the administrators are subject to ongoing delays.
35. The Board will appreciate that the longer the RSSs and remedy payments are delayed, the greater the risk of complaints to the Pensions Ombudsman, fresh legal action against FRAs, and an increase in dissatisfaction generally that will further detract from the orderly processing of Remedy and Matthews second options. Whilst in law the Scheme Manager has until 31 March 2025 to issue an RSS, in practice FRAs are expected by the regulatory

bodies to issue affected individuals with their RSS and to then progress to the Remedy payment in a timely manner, for example as set out in the indicative table.

36. Members who retire from 1 October 2023 should be provided with an RSS ahead of retirement. This will illustrate their options to choose to receive either their legacy final salary benefits or reformed FPS 2015 benefits for the remedy period. However, as the national RSS is not yet available, for the moment WYPF is providing a remedy retirement pack that together with information from the Service enables members to exercise their remedy choice. This seems to be working well.
37. Looking ahead, all active and deferred members (i.e. not yet receiving a pension) will receive a combined Annual Benefit Statement / Remediable Service Statement (ABS/RSS) by 1 April 2025; however, where possible, the LGA expects these will be provided by 31 August 2024 (the deadline for the next ABS). The ABS/RSS will provide members with the current value of both their legacy final salary benefits and their reformed FPS 2015 benefits for the remedy period; as well as projected benefits to normal pension age for active members. This joint statement should become the norm for future years.

Matthews On-call Second Options Exercise

38. As the Board will recall, the Matthews Second Options Exercise enables on-call/retained firefighters in scope to purchase pension entitlement as a special/modified 2006 member for some or all of their service between 7 April 2000 and 5 April 2006, as well as any continuous service from their start date up to 7 April 2000 and/or continuous service from 5 April 2006. This arises from national judgments around the entitlements of part time workers.
39. The earlier and more limited First Options exercise was in 2014. On-call firefighters employed on any date between 1 July 2000 and 5 April 2006 were given the opportunity to become members of a specially modified version of the 2006 pension scheme from July 2000. This had broadly similar benefits to the 1992 scheme.
40. The Service identified some 370 current and former on-call personnel who are believed to be eligible for the Second Options exercise, mainly using data from the First Options exercise. Of these, 70% started from 1990 onwards. The earliest start date stretches back to 1965. Some 300 are no longer employed by the Service.
41. This current Second Options exercise is therefore proving to be a very significant data collection and estimation exercise. Individual pay records do not exist until more recently, with the precise dates varying. Old pay scales are not complete. There are also many complexities, for example around service breaks, on-call staff who were also (or became) wholtime, interaction and aggregation with the Sargeant / McCloud remedy, and the impact of past local working practices. Where a member is impacted by both remedy and second options, the latter must be resolved first as it applies only to March 2015, to provide the correct starting point for remedy from April 2015. This applies to circa 100 personnel locally.

42. To raise awareness, posters were displayed in fire stations, current personnel were asked to inform past employees whom they may know to contact the Service, and a dedicated pensions email account was created.
43. The Service sent letters to the latest recorded address of all 370 current and former personnel thought to be eligible ahead of the Christmas and New Year holiday, a significant task. The letters followed the national template with some small local variation, the national information booklet was enclosed, and a link to the aforementioned Regional Pensions Adviser's recorded presentation was included. Individuals were asked to return a form stating whether they wish to receive a quote outlining how much it will cost to purchase their backdated service and an indicative estimate of the pension that this will buy. Positive responses trigger more detailed timelines within an overall 18-month implementation period.
44. At the time of writing this report (late February), 80 expressions of interest had been received. These have been acknowledged and the team is now in the process of reviewing each record and providing a more detailed response and seeking any clarifications required. As noted above, the Regional Pensions Adviser has worked through a selection of responses with the Scheme Manager and the team, to develop the approach and to promote consistency across the three FRAs. It has become apparent that the choices are not well understood by many of the recipients, for example individuals have expressed an interest in converting 1992 scheme service despite never having been employed wholtime. This was a known risk given the format and content of the letters, however, it was felt unwise to depart too far from the national template. The team has received a lot of telephone and email enquiries since the New Year, with many being from widows, as expected.
45. Some four personnel have declined the offer, four letters have been returned as the individual is deceased and six have been returned as no longer at the address (again, this was all to be expected).
46. The response levels are in line with neighbouring FRAs. Nonetheless, they total only circa 100 compared to the 370 sent. Plans are therefore in hand across the three FRAs to engage the services of a tracing agency, starting with a more basic level approach and then followed by enhanced tracing methods where necessary. Address verification will enable further letters to be sent with a greater level of confidence. Further general awareness raising is being considered. The Service will then be confident it can demonstrate that best endeavours are being deployed to contact all potentially eligible personnel, as required by the Regulations.
47. Consideration is also being given with regional and national colleagues as to how to then prioritise the detailed work, once the circumstances and intentions of each individual response are clear – for example, those already over pensionable age (active or deferred), who would be immediately owed pension arrears if they choose to buy back; those who are also in scope of Sergeant/McCloud; Ill Health Retirements; those below pension age, etc.

48. The Board is also asked to note that further national guidance and decision making will be needed regards eligibility – two areas, for example, are aggregation with 1992 scheme service and benefits for spouses or other relatives of deceased members over and above the current eligibility provisions.

Risk Register

49. Good governance requires that a Risk Register is in place and is regularly reviewed. It is also a requirement of The Pensions Regulator's code of practice on the governance and administration of public service pension schemes.

50. The Register, attached as Appendix B to this report, has been reviewed and updated to reflect the enhanced risks to timelines from national issues.

51. The Board is also asked to note that WYPF has informed FRAs that it has not been required to make any changes to its administration service as a result of Bradford Council's well-publicised financial challenges, so there should be no impact on the administration service provided (WYPF being a part of the City of Bradford Council).

General Sector Updates

52. General sector updates can be accessed on monthly basis from two sources:

- The LGA monthly Firefighters' pensions update bulletins, which focus on the administration of the scheme, the age discrimination remedy, the on-call firefighters second options exercise and wider national pensions updates. The bulletins can be found at <https://www.fpsregs.org/>.
- The Administrator's monthly report which is circulated to the Board, with the latest report attached at Appendix A.

Report Implications/Impact

53. Legal (including crime and disorder)

This report has been written to inform Members of the latest legal developments relating to the Firefighters' Pension Scheme and how the service is working on resolving the current situation.

The Public Service Pensions Act 2013 introduced a framework for the governance and administration of public service pension schemes. This report aims to fulfil the requirement for Members to assist the Scheme Manager in ensuring that effective administration arrangements are in place.

54. Financial (including value for money, benefits and efficiencies)

Remedy and compensation payments will either be a scheme payment and therefore from the pension fund account, or an employer payment which cannot be met from the pension fund account and will fall to the Authority to fund. The Service aims to avoid the latter, although as national complexities and uncertainties increase, the risk of an employer payment becoming necessary is undoubtedly rising.

Whilst employees will pay additional backdated contributions or receive refunds as the case may be, this will not apply to the Service as the employer. Rather, the future pension cost implications upon the notional 'fund' nationally will be included in future revaluations, which is expected to increase the employer contribution rate. The next revision to employer rates is due from April 2024, based on the most recent 2020 valuation. The Government has committed to fund FRAs for any increase in 2024/25 only, at this stage. Higher employer rates are potentially a risk to FRA budgets nationally from 2025/26.

Additional day-to-day costs are being incurred meeting the requirements detailed in this report, for example staffing, systems and legal support. Some Government funding is received towards these costs.

Stuart McAvoy, Head of Finance, Leicester City Council

55. Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)

The CFA continues to face a number of risks associated with the management of pensions and the implementation of the Sargeant/McCloud age discrimination remedy and the Matthews on-call Second Options Exercise.

56. Staff, Service Users and Stakeholders (including the Equality Impact Assessment)

An equality impact assessment has not been carried out, as the Service is seeking to correct inequalities as identified by court proceedings and judgments, and latterly set out in legislation effective from 1 October 2023.

57. Environmental

There are no environmental implications arising from this report.

58. Impact upon "Our Plan" Objectives

There are no specific impacts, although a general impact on all 'People' related elements of the plan.

Appendices

Appendix A – WYPF monthly report, January 2024

Appendix B – Risk Register

Background Papers

Previous Local Pension Board agendas.

Officer to Contact

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Monthly Report

January 2024

Leicestershire Fire Authority



West Yorkshire Pension Fund

Prepared by:

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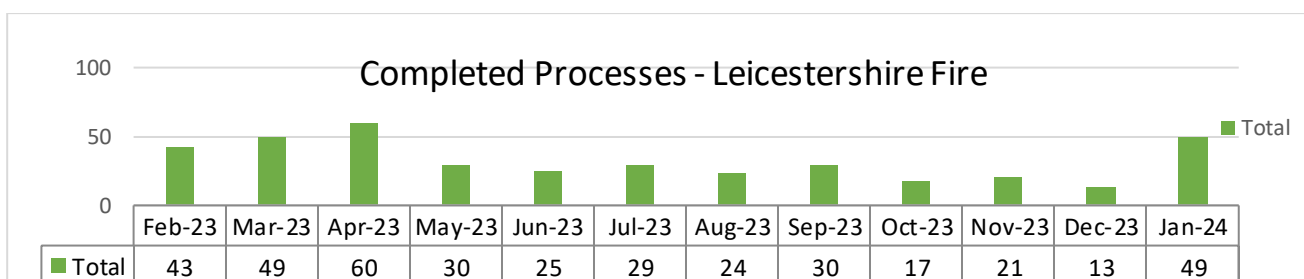


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1. Completed processes

1 to 31 January 2024						
Work Type	Total Cases	Target days for each case	Target met cases	Minimum Target Met	Target met percent	Average time taken
Transfer In Quote	1	35	1	85	100	5
Deferred Benefits Set Up on Leaving	1	20	0	85	0	91
Pension Estimate	6	10	3	90	50	14.17
Pension Set Up/Payment of Lump Sum	2	3	2	85	100	3
Retirement Actual	2	10	2	90	100	3
Set Up New Spouse Pension	1	5	1	85	100	1
Change of Address	1	20	1	85	100	3
Change of Bank Details	1	20	1	85	100	1
General Payroll Changes	4	20	4	85	100	1.5
Age 55 Increase to Pension	1	20	1	85	100	15
NI adjustment to Pension at State Pension Age	2	20	2	85	100	17
Death in Retirement	1	10	0	85	0	14
Update Member Details	2	20	2	100	100	1
Dependant Pension To Set Up	1	10	1	100	100	1
Life Certificate	5	10	5	85	100	3
Initial letter Death in Retirement	18	10	18	85	100	1
Monthly Pension	748	Pay date	748	100	100	

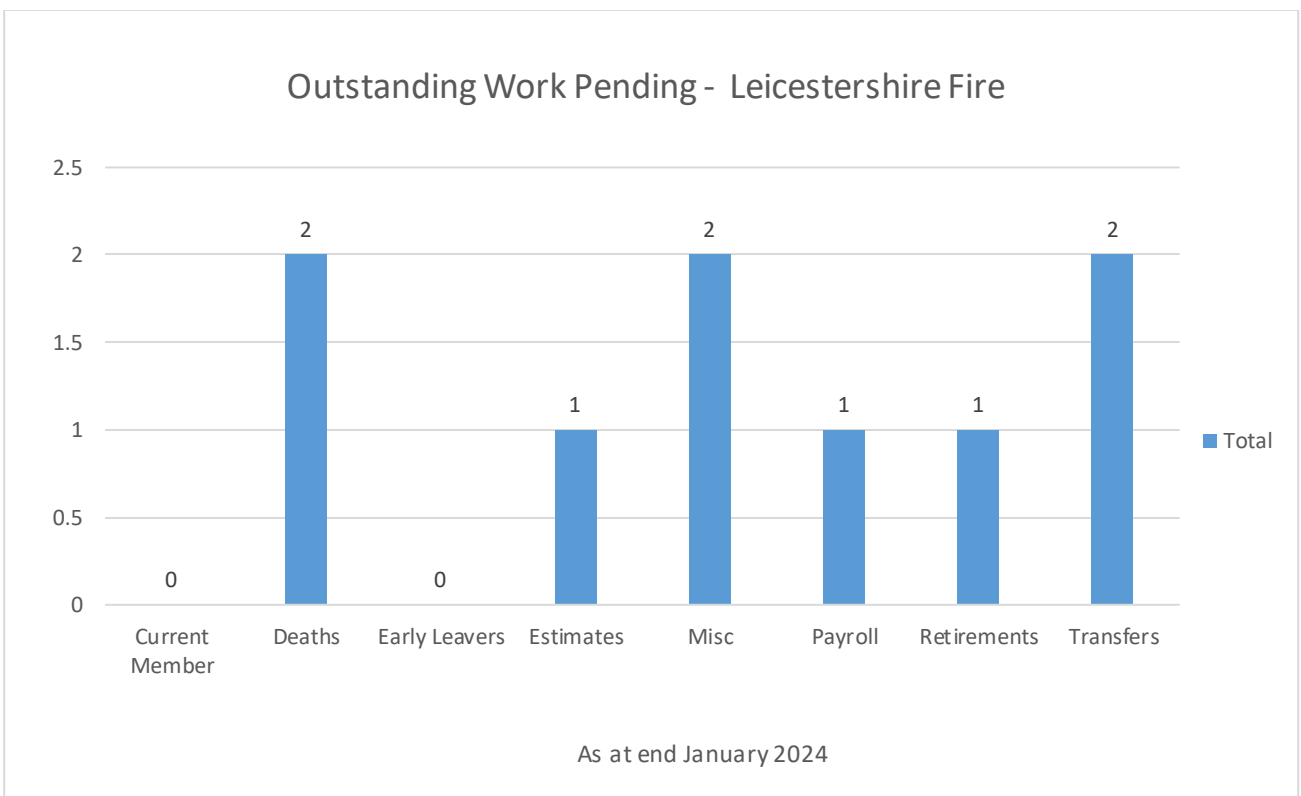
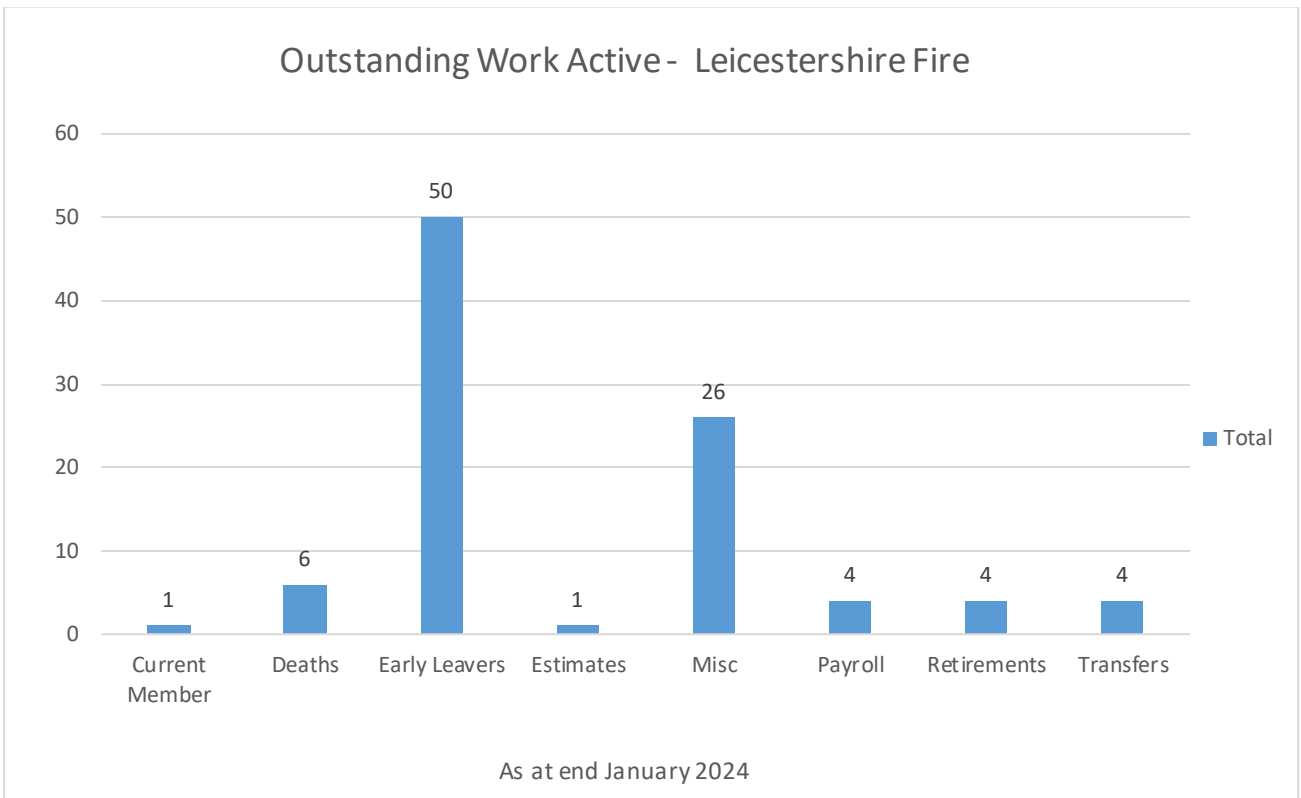


Deferred Benefits Set Up on Leaving 1 case did not meet the KPI target due to high volumes of work within the team. However, within 2 months of WYPF receiving the leaver information the member did receive confirmation they have a deferred benefit. This meets the statutory requirements.

Pension Estimate did not meet due to the administration software being updated to meet the new legislation requirements and this caused an initial delay in the processing of cases post 1 October. The team are now working through the estimates that were on hold.

Death in Retirement 1 case did not meet due to the team experiencing high volumes of work.

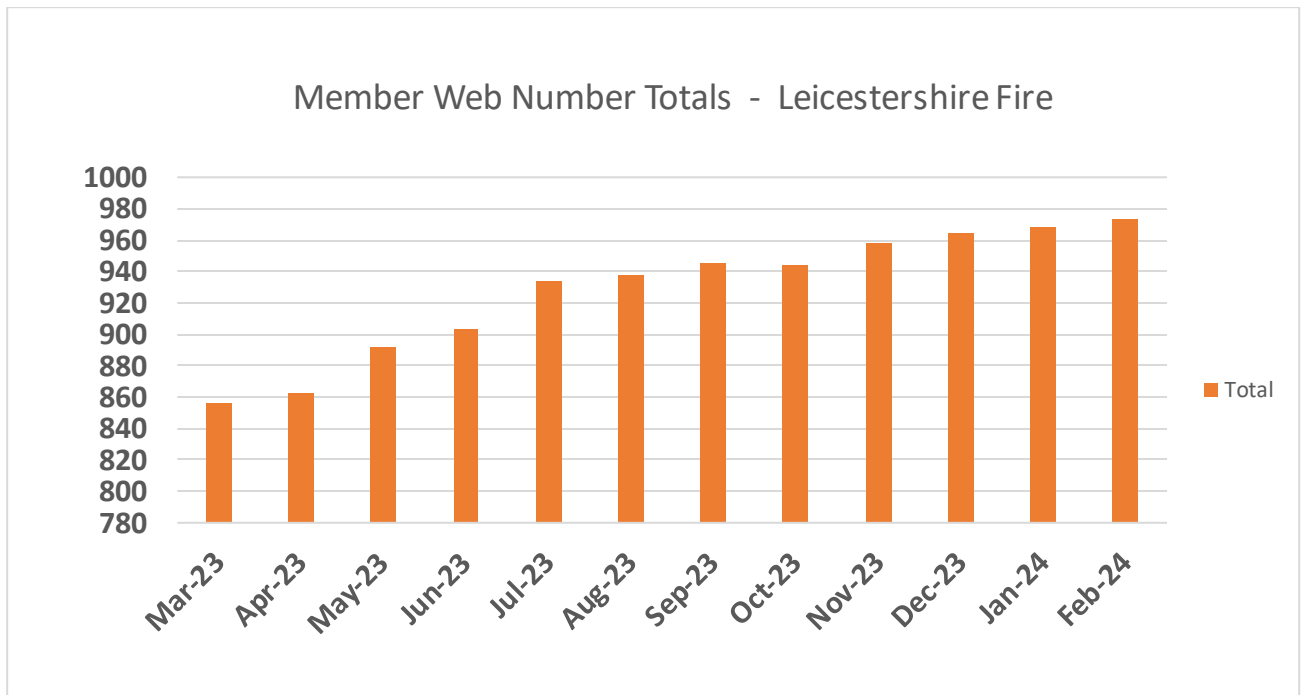
2. Work in Progress



3. Member Web Registrations

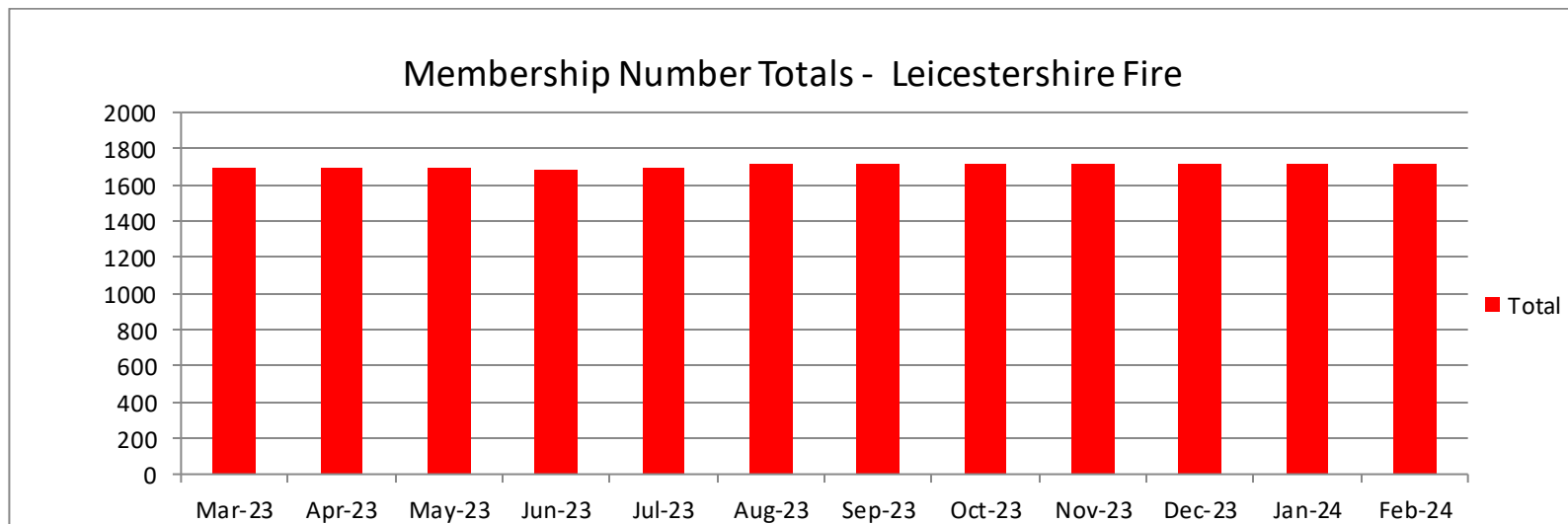
The number of members signed up to member web are:

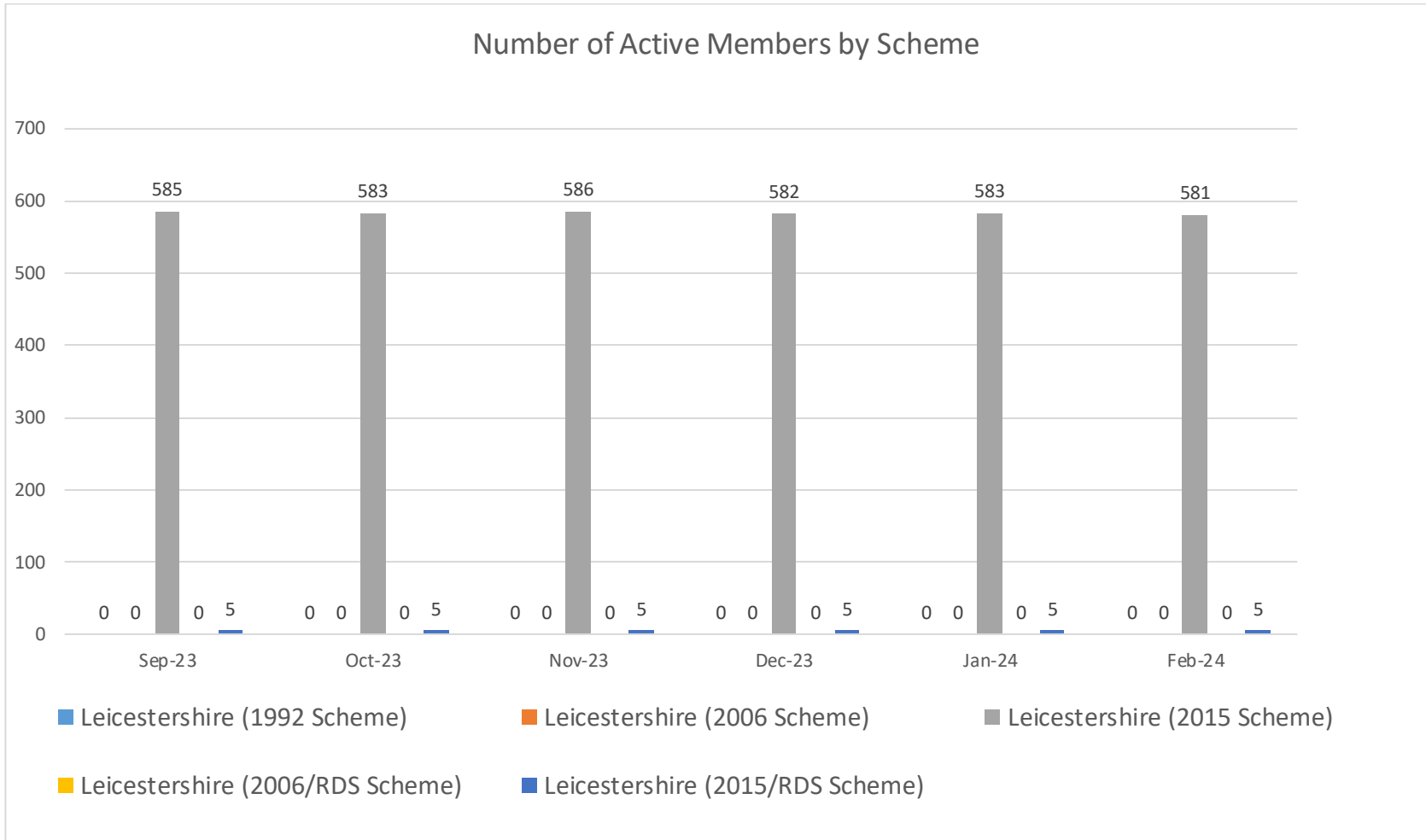
Status	Number
Active	350
Pensioner	437
Pensioner Ex-Spouse	0
Beneficiary Pensioner	31
Deferred Ex-Spouse	0
Deferred	156

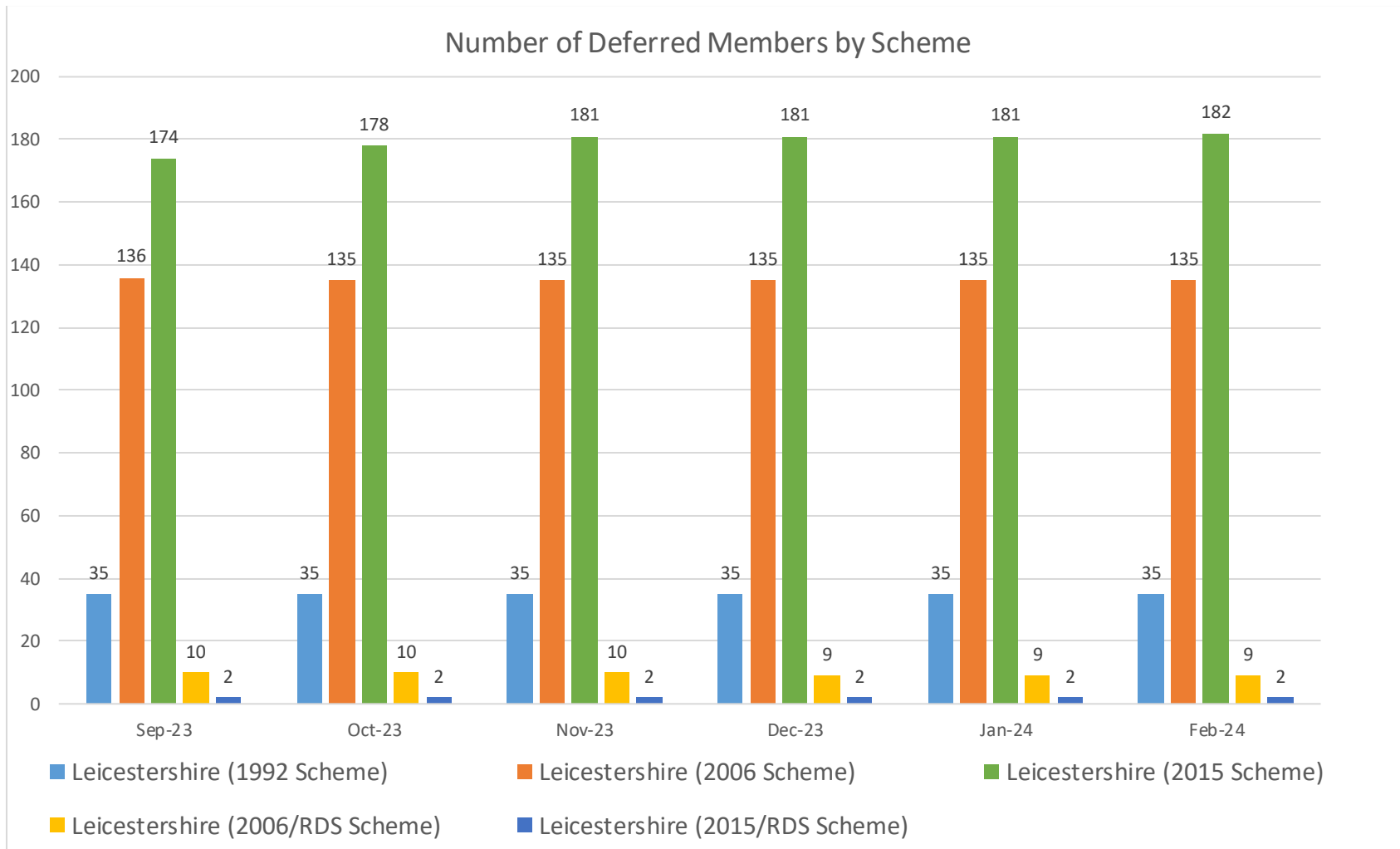


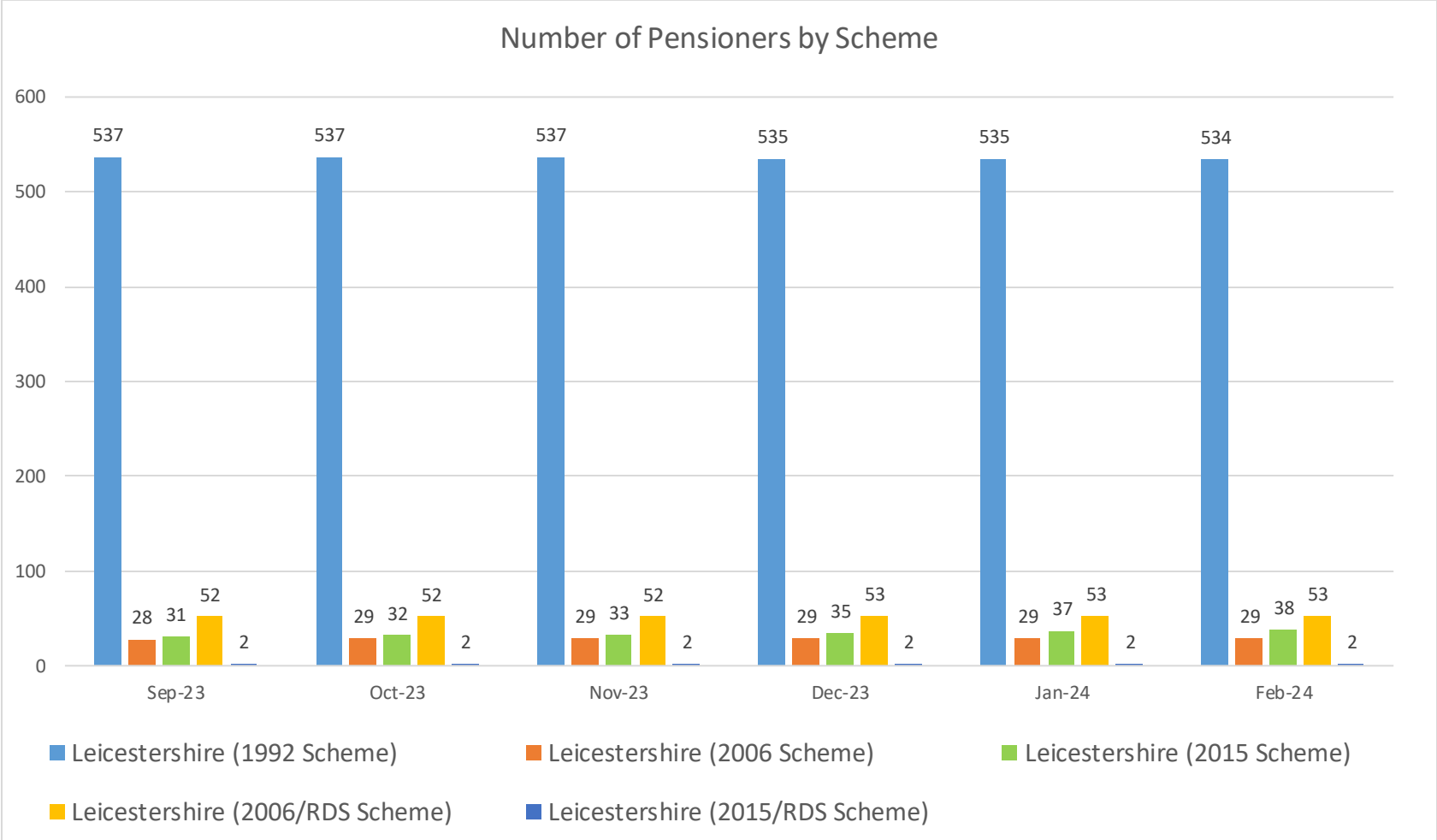
4.Membership Numbers

Scheme Name	Active Members	Deferred Members	Pensioners	Beneficiaries	Preserved Refund	Leavers Options Pending
Leicestershire (1992 Scheme)	0	35	534	80	1	0
Leicestershire (2006 Scheme)	0	135	29	2	8	0
Leicestershire (2006/RDS Scheme)	0	9	53	2	0	0
Leicestershire (2015 Scheme)	581	182	38	2	1	14
Leicestershire (2015/RDS Scheme)	5	2	2	0	0	0









5. Administration Update

Injury pension calculation for a retained firefighter appointed after 5 April 2006

The recent Bulletin discusses the revisiting of post 2006 injury cases.

Please note that WYPF are currently looking into this area and collating data for the number of FRAs that may be affected. Further information will be provided as soon as we have this.

Working with TPR

Although this is not strictly about Fire it is about WYPF, we were chosen to participate in a voluntary supervisory engagement with the Pensions Regulator (TPR) along with nine other LGPS Funds in England and Wales.

The Authorities were selected to represent a cross section of the differing administration models in the LGPS and were based on size of membership, numbers of employers, and commercial complexity.

WYPF was chosen for the supervisory engagement as it is one of the largest LGPS Funds and because it has a shared administration partnership with LB Barnet, LB Hounslow and Lincolnshire County Council, and more than half of the Fire authorities in England and Wales who are responsible for the Firefighters' Pension Scheme.

The purpose of the engagement was for TPR to gain an understanding of how WYPF operates and the management and governance controls in place.

The engagement provided the opportunity for TPR to understand how WYPF ensures compliance with legislation; adherence to codes of practice; and the application of good industry practice.

TPR focused on two key areas for this supervisory engagement, Management and Governance & Systems and Processes and concluded, in their opinion, WYPF is well managed with good governance.

Data breaches

None

6. Communication & Training

We would like to introduce our Spring 2024 series of employer training webinars. The sessions will include:

- **FRA – Monthly Contributions 3 (MC3)** - (Brief run through of the new MC3 system as currently being introduced for LGPS clients)
 - Thursday 15th February 10:00am -10:45am (I-Trent)
 - Wednesday 21st February 14:00pm – 14:45pm (Resource Link and SAP)

- **FRA – Year End** - (Help and advice in completing your month 12 return)
 - Thursday 29th February 10:00am – 10:45am
 - Wednesday 6th March 14:00pm – 14:45pm

- **FRA – Portals and Forms** - (A tour of our facilities for uploading your data)
 - Thursday 14th March 10:00am – 10:45am
 - Wednesday 20th March 14:00pm – 14:45pm

The sessions will run online from **15th February to 20th March** and each webinar will last 30–45 minutes where you will have the opportunity to ask questions throughout.

Invites will be issued to all FRAs via email.

Pension boards

- East Sussex – 10th January 2024
- Northumberland – 23rd January 2024
- Norfolk – 23rd January 2024
- Avon – 25th January 2024
- South Yorkshire – 25th January 2024
- Durham & Darlington – 26th January 2024

National / regional meetings

- Civica Technical Working Group – 9th January 2024
- P& F Stakeholder Group – 9th January 2024
- WYPF Quarterly Client Meeting – 10th January 2024
- NERFOG – 17th January 2024

Client training delivered by WYPF

- Cambridgeshire Pre Retirement – 22nd January 2024

7. Member Update

None

8. IT Update

None

9. Five Year Audit Plan 2023 – 2027

West Yorkshire Pension Fund Five Year Audit Plan 2022 - 2027	Frq	Last Audit	Rcmnd	Days	23/24	24/25	25/26	26/27	27/28
Annual Accounts Verification	1	20/09/21	1	50	✓	✓	✓	✓	✓
Audits Per Year					1	1	1	1	1
Local Government Scheme Contributions	2	01/11/21	2	50					
New Pensions and Lump Sums - WYPF									
- Normal and Early Retirements	5	09/10/19	1	25	✓			✓	
- Death in Service, Post Retirement Widow and Dependent Benefits	5	08/10/21	0	25		✓			
- Ill Health Pensions	5	11/07/23	0	25				✓	
- Flexible Retirements	5	30/11/20	2	25	✓				
- Deferred Pensions	5	28/06/22	0	25			✓		
Transfers Out	5	07/10/20	0	20					✓
Transfers In	5	17/05/21	0	20			✓		
Reimbursement of Agency Payments	5	10/03/23	0	20		✓		✓	
Life Existence / Certificates	5	11/08/21	3	20					✓
AVC Arrangements	5	21/12/22	0	20			✓		
Admission of New Bodies	5	07/02/20	0	20					✓
Pensioners Payroll	2.5	17/11/20	0	50		✓			
Purchase of Additional Pension	5	29/03/22	0	20	✓		✓		
Annual Benefits Statements	2.5	30/09/22	0	40				✓	
Fire Service New Pensions and Lump Sums			1						
- Normal and Early Retirements	3	17/12/20	0	33.3		✓			✓
- Ill Health and Death Benefits	3	23/06/22	0	33.3			✓		✓
- Deferred Pensions	3		0	33.3	✓			✓	
Audits Per Year					4	5	5	5	5
UK and Overseas Equities	1	01/02/23	0	75	✓	✓	✓	✓	✓
UK Fixed and Index Linked Public and Corporate Bonds	3	18/08/22	0	25		✓			✓
UK and Overseas Unit Trusts (Property and Other)	3	06/02/23	1	25		✓			✓
Fund of Hedge Funds	5	09/06/16	1	15			✓		
UK and Overseas Private Equities	3	31/03/22	3	25		✓		✓	
Global Bonds	5	11/12/18	0	15	✓				
Treasury Management (Short Term Cash Lending)	1	18/12/22	0	75	✓	✓	✓	✓	✓

West Yorkshire Pension Fund Five Year Audit Plan 2022 - 2027	Frq	Last Audit	Rcmd	Days	23/24	24/25	25/26	26/27	27/28
Stock Lending	5	24/11/21	1	15				✓	
Compliance with IAP Investment Decisions and Policies	5	22/02/21	0	15	✓		✓		
Verification of Assets	5	01/03/21	0	15			✓		
Verification of Assets	5	01/03/21		15	✓				
Listed Alternatives	5	00/01/00		15			✓		
Audits Per Year					5	5	5	4	4
Additional work outside plan									
Transfer of Data to New Pensions System		02/07/12	0						
Monthly Contribution Data Usage		20/08/15	6						
Information Governance Including GDPR		01/05/19	7						
Transfer of Data From Outside Bodies		10/06/19	6						
Pooling Arrangements		20/03/19	1						
Custodial Transfer Arrangements		01/07/20	0						
Accuracy of Contributions Recorded on Member Records		10/02/20	7						
GLIL		30/07/20	1						
Accuracy of Contributions Recorded on Member Records - Follow Up (i)		05/11/21	2						
NLGPS Collaborative Work - Common Custodian Arrangements		30/04/21	1						
Business Continuity		17/01/22	5						
Shared Service Admission		07/04/22	6						
NLGPS Collaborative Work - NPEP		29/06/22	3						
NLGPS Collaborative Work - GLIL Infrastructure		18/04/23			1				1
Exiting Employers		25/04/23			1				1
No of audits					12	11	11	10	12
Audit days over five years				885	177	177	177	177	177
Resourced days				1,225	245	245	245	245	245
Headroom				340	68	68	68	68	68

10. Overriding Disclosure Time Limits

Disclosure Requirement	Time Limit	Number of breaches in month
Material alterations to basic scheme information	Within 3 months of the change taking effect	0
Transfer Credits (quote)	Within 2 months	0
Annual Benefit Statements	By 31 August each year	0
Annual Benefit Statement (upon request)	Within 2 months of request, if not already provided within previous 12 months	0
Deferred Benefit Statements	By 31 August each year	0
Deferred Benefit Statement (upon request)	Within 2 months of request, if not already provided within previous 12 months	0
Pension Savings Statements	By 6 October each year	0
Cash Equivalent Transfer Value Out	Within 3 months of request	0
Accessing Benefits before Normal Pension Age	2 month of benefits becoming payable	0
Accessing Benefits on or after Normal Pension Age	1 month of benefits becoming payable	0
Notification of Deferred Benefit entitlement	2 months of being notified of leaver	0

Divorce Time limits

Type of request	Time limit	Number of breaches in month
Request for divorce information only.	3 months from receipt of the request.	0
Request for divorce information where you are notified that the information is required in connection with divorce proceedings that have already commenced.	6 weeks from receipt of the request.	0
Request for divorce information where a Court Order imposes a deadline.	Within the deadline specified by the Court.	0
Request for divorce information where you are notified that a Pension Sharing Order may be issued.	Within 21 days of receiving notification that a Pension Sharing Order may be issued or a date outside 21 days as specified by the Court.	0
Where the request is for information which does not include a Cash Equivalent Transfer Value	1 month from receipt of the request.	0
Pension Sharing Order received but some information* and/or charges are still outstanding.	A letter to both parties needs to be sent out within 21 days of receiving the Order to explain the Order cannot be implemented and request the missing information and/or charges.	0
Pension Sharing Order received including all relevant information* and charges.	A letter** must be sent to both parties within 21 days of the start of the implementation period notifying them of the deadline.	0
Pension Sharing Order Received including all relevant information and charges.	4 months to implement the Order of the date of receipt of the final information which allows calculation	0
PSO has been implemented.	A letter* must be sent to both parties within 21 days of implementing the PSO to notify both parties their entitlement.	0

11. Calendar of Events

January	February	March	April
Life Certificates HMRC Event Reporting Payment of Unauthorised Lump Sum and Scheme Sanction Charge to HMRC	Life Certificates Review of DWP benefits for Injury cases GAD Data Collection Spreadsheet	Life Certificates	Apply Pensions Increase Apply Care Revaluation Issue P60's Life Certificates Pensioner Newsletter
May	June	July	August
Life Certificates	Active Newsletter Life Certificates Issue Deferred Annual Benefits Statements	Life Certificates Issue Deferred Annual Benefits Statements Issue active Annual Benefits Statements	Issue active Annual Benefits Statements Life Certificates
September	October	November	December
Pension Estimates Assumption Exercise Life Certificates Pension Savings Statement	Life Certificates Participate in NFI tPR Scheme Returns	tPR Annual Survey Life Certificates	IAS19 Data capture exercise for Actuaries Life Certificates

12. Regulations/Fire Scheme Update

Please take a few minutes to read the Firefighters' Pension (England) Scheme Advisory Board Bulletin (Link to Bulletin below) and take any action required.

[FPS Bulletin 76 - December 2023 \(fpsregs.org\)](https://www.fpsregs.org)

Some key issues to highlight:

FPS

Matthews – Deceased members

In [FPS Bulletin 75 – November 2023](#), we made readers aware of the specific provisions which provide remedy for deceased beneficiaries.

We have provided template letters to cover these types of cases, which have been published on the [Special members of the FPS 2006](#) section of the FPS regulations and guidance website.

ACTION: FRAs to use the documents provided and can amend them where required.

Matthews – Supporting documents

In [FPS Bulletin 73 – September 2023](#), [FPS Bulletin 74 – October 2023](#) and [FPS Bulletin 75 – November 2023](#) we made readers aware of the supporting documentation that has been published to assist FRAs with the implementation second options exercise.

With thanks to Jill Swift at Cheshire Fire and Rescue Service, James Durrant at Essex Fire and Rescue Service and the Communications Working group we have published an Individual Statement of Details document, for each category of special membership.

The statements can be used to illustrate the output from the Matthews GAD calculator to provide the individual with information on their options.

The document can be found on the [Special Members of the FPS 2006](#) section of the [FPS regulations and guidance](#) website.

ACTION: FRAs are encouraged to use the Individual Statement of Details documents to send an individual with information on their options.

Other News and Updates

The Pensions Dashboard Programme – proposed staging date and timeline

The Pensions Dashboard Programme (PDP) are currently consulting with the industry regarding the final staging guidance that will be published by the Money and Pensions Service (MaPS) in the Spring of 2024. The staging guidance will confirm the staging date.

We expect that the staging date for Public Service Pension Schemes is likely to be summer of 2025.

[Regulation 15\(2\) of the Pensions Dashboards Regulations 2022](#) confirms Scheme Managers have a legal duty to have regard to this guidance.

Events

FPS coffee mornings

Our MS Teams coffee mornings are continuing in November. The informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

The first session of the new year was on 10 January 2024 at 10am, where the Government Actuary's Department (GAD) joined us to discuss the 2020 Valuation results.

The second session will be held on 30 January 2024 at 10am. The content of this session is still being finalised but will be confirmed in the new year.

We are pleased to include the presentations from recent sessions below:

12 December 2023 – [Immediate Choice Remediable Service Statement \(RSS\) and timetabling](#)

19 December 2023 – [End of year review and a forward look to 2024](#)

If you do not already receive the meeting invitations and would like to join us, please email bluelightpensions@local.gov.uk. Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

Legislation

Statutory Instruments

[Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) [SI2023/986]

Directions Orders

[Public Service Pensions \(Valuations and Employer Cost Cap\) Directions 2023](#)

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)
- [LGPS Regulations and Guidance](#)
- [LGPC Bulletins](#)

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Appendix B – Firefighters’ Pension Scheme Risk Register (updated 01-03-24)

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
1	Failure to administer the scheme in line with regulations and policies	Regulatory	Administration failure	<p>Up to date knowledge through various sources such as SAB, LGA, Home Office.</p> <p>Up to date training.</p> <p>Attendance at regional and national groups.</p> <p>Access to the Regional Adviser.</p> <p>Information on the WYPF website.</p>	1	4	M	TACT				1	4	M	TACT

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
2	Those charged with governance of the Scheme are unable to fulfil their responsibilities effectively.	Regulatory	Reputation	Board members receive briefings, training and informative reports.	2	2	M	OPS	Possible creation of an East Midlands Joint Pension Board.	Scheme Manager	No date available. Updated approval from each scheme would be sought, then requires Government approval.	1	2	L	OPS

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
3	Policies not being in place and up to date	Regulatory		Policies to be reviewed and updated	3	3	H	TACT	A review of all policies by the Scheme Manager and HR.	Scheme Manager	On-going – is a significant task	2	2	M	OPS

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
4	Failure to recognise/manage conflicts of interest at Pension Board	People		Declarations of interests at the beginning of each meeting.	1	2	L	OPS				1	2	L	OPS

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
5	Potential for fraudulent activity by staff and/or scheme members	People	Illegal expenditure, excessive pension benefits	<p>Clear roles and responsibilities for those administering pensions.</p> <p>Duties split between Finance, HR, Warwickshire County Council payroll and WYPF.</p> <p>National Fraud Initiative participation.</p> <p>Review of declarations of interest policy.</p> <p>Internal audit of pensions (CFA and WYPF).</p>	1	3	M	TACT				1	3	M	TACT

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
6	Changes to the Firefighters' Pension Scheme and associated regulations; and lack of expertise in the revised/new provisions.	Business process	Breach of regulation	<p>Advisors provide relevant information and recommendations on particular areas.</p> <p>Professional Administrator engaged, has many fire clients (WYPF).</p> <p>Regional Adviser engaged.</p> <p>Senior officers and Scheme Manager linked in with LGA, NFCC.</p>	1	3	M	TACT				1	3	M	TACT

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
7	Failure to provide adequate information to the Pension Board.	Regulatory	Breach of regulation	Board meetings held at which key information relating to the administration is provided. Extraordinary meetings can be arranged for urgent items. Board can access training by the LGA.	1	2	L	OPS				1	2	L	OPS

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
8	Failure to include all required information in documents issued to scheme members under disclosure regulations.	Regulatory	Breach of regulation	Officers keep up to date with disclosure regulations and distribute knowledge to teams accordingly via relevant websites, seminars and working groups. WYPF is administrator, with many fire clients and issues most documents to individual members.	1	4	M	TACT				1	4	M	TACT

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
9	Failure to communicate adequately with scheme members	People	Negative impact on staff. Breach of regulation.	<p>Websites regularly updated.</p> <p>Newsletters published.</p> <p>Annual Benefit Statements produced and distributed.</p> <p>Updates on key scheme changes – focussed communications where specific groups impacted.</p> <p>WYPF engaged as administrator.</p> <p>Regional Pensions Advisor engaged.</p>	2	3	M	TACT	<p>Pension roadshows, inviting all 3 FRAs' employees .</p> <p>(last held online 13 November 2023, with recordings available)</p>	Scheme Manager	On-going	1	3	M	OPS

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
10	Records are not accurate or do not reflect changes in circumstances.	People	Business process	Records are supported by appropriate documentation. Input and output and audit checks are undertaken. Regular reviews of data quality. Check and challenge between LFRS finance and HR, Warwickshire CC and WYPF.	1	4	M	TACT				1	4	M	TACT

PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
11	Impact of the Sargeant / McCloud judgements - Age Discrimination Remedy. Impact of the 'Matthews' Retained second options exercise. Ensuring compliance with Regulations in force effective from 1 October 2023, with an 18-month implementation period.	People	Breach of regulation, ET decisions and agreements. Negative impact on operational staff morale. LFRS subject to legal proceedings. LFRS incurs costs on 'early' remedy payments, such as irrecoverable tax charges. Insufficient trained and experienced HR and Finance staff, and systems, to collect the necessary data and process calculations.	Regional working with Notts/Derbys and Regional Pensions Adviser. Work with the LGA, NFCC and WYPF. Reference court judgements, legislation, Government guidance and sector agreements. Regular reports to the CFA and LPB, including risk analysis. Two finance staff allocated; overtime worked. Tracing service to assist contacting former retained personnel (March 2024)	3	3	H	STRA	On-going review of staff and systems capacity to undertake the necessary remedies, across LFRS, WYPF and Warwickshire CC. Breach of regulations reported to LPB 12 March 2024 regards Matthews 'warm up' letters returned as no longer at the address.	CFO and Scheme Manager	On-going	2	3	M	STRA

12	Failure to meet timelines and data requirements for the new national Pensions Dashboard	People	Business process	<p>WYPF is the lead, as administrator.</p> <p>WYPF linked in with national developments – regulations, systems, data requirements, etc.</p> <p>National timelines delayed – a connection deadline of 31 October 2026, with FRAs expected to connect Summer 2025.</p> <p>May be of limited value for many FPS members, who only have a FPS pension.</p>	1	3	M	TACT			On-going, to October 2026.	1	3	M	TACT
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PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
13	Reputational impact of delayed payments arising from the national Injury to Feelings claim.	People	Business Processes	Home Office taking the lead on making agreed payments and considering further claims. Communication in response to any queries from staff.	2	3	M	STRA				2	3	M	STRA

ASSESSMENTS REMOVED OR ARCHIVED DURING THE CURRENT YEAR

CRR REF	HAZARD STATEMENT	FINAL RISK ASSESSMENT SCORE				REASON FOR REMOVAL	WHEN REMOVED
		L	I	R	ML		

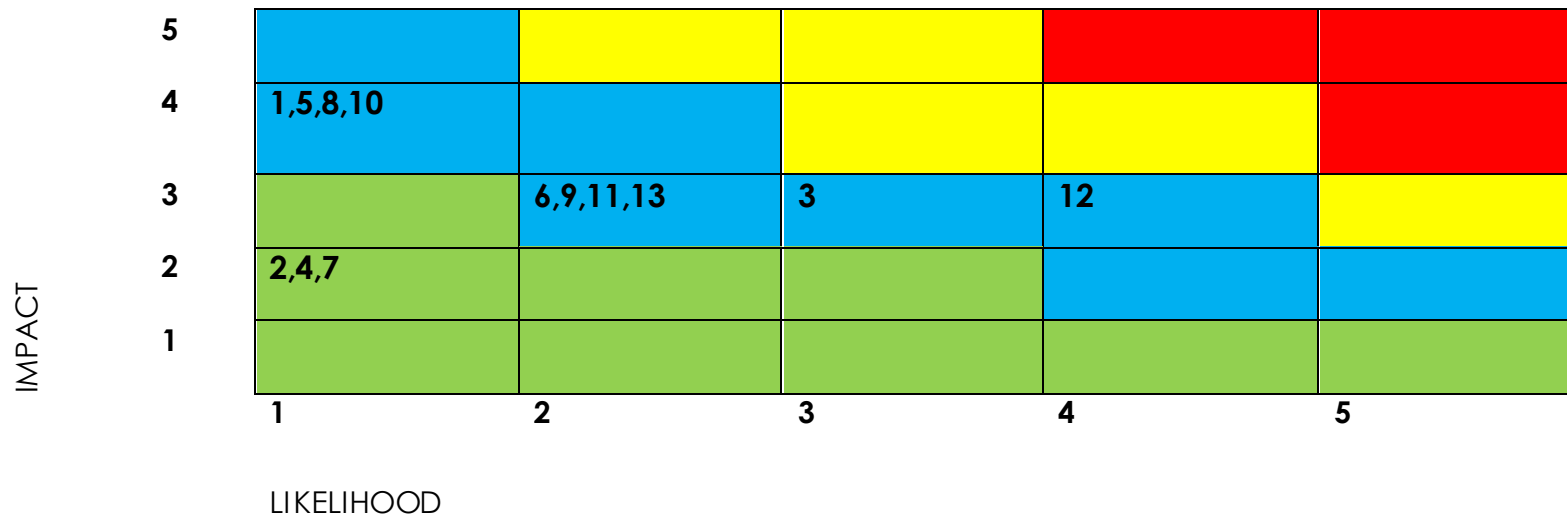
Appendix 2

Risk Assessment Matrix

IMPACT	5					
	4	1,8,5,10				
	3		6,9,11,13	3	12	
	2	4,7	2			
	1					
		1	2	3	4	5
		LIKELIHOOD				

VERY HIGH	High level risk with the potential to cause catastrophic damage to the reputation, finances or governance of the Service
HIGH	Mid-high level risk possibly requiring significant amendment to policy/procedure and significant financial outlay
MEDIUM	Low –mid level risk possibly requiring new policy and/or some financial outlay
LOW	Low level risk capable of being managed within normal service policy and procedure

Risk Management Matrix



CORPORATE	Those risks likely to require management oversight by the CFA and/or SMT
STRATEGIC	Those risks likely to require management oversight by SMT
TACTICAL	Those risks likely to require management oversight by the HSW&CRM Committee and sub-groups, Group Managers' Team (GMT)and/or individual Directors
OPERATIONAL	Those risks likely to require management oversight by individual Group and Station Managers and/or GMT

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