

**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 at Leicestershire Fire and Rescue Service Headquarters on 16 November 2023 at 10AM for the transaction of business set out on the attached Agenda.

Yours Faithfully



Lauren Haslam
Monitoring Officer



Leicestershire Fire and Rescue Service

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**LEICESTER, LEICESTERSHIRE AND RUTLAND COMBINED FIRE
AUTHORITY
LOCAL PENSION BOARD
16 NOVEMBER 2023**

Location **Leicestershire Fire and Rescue Service, 12 Geoff Monk Way, Birstall,
Leicester LE4 3BU.**

Officer to contact **Aqil Sarang (Tel. 0116 305 6844)**

E-Mail **aqil.sarang@leics.gov.uk**

AGENDA

<u>Item</u>	<u>Report by</u>
1. Appointment of Chairman.	
2. Apologies.	
3. Minutes of the Local Pension Board meeting held on 25 January 2023.	(Pages 5 - 8)
4. Conflicts of Interest.	
5. Scheme Manager's Update.	The Pension Scheme Manager (Pages 9 - 55)
6. Scheme Administrator's Update.	(Pages 57 - 60)
7. Employee Representative's input.	
A verbal update will be received from an employee representative.	
8. Date of next meeting.	
The next meeting of the Local Pensions Board will be held on 31 January 2024 at LFRS Headquarters following the meeting of the Combined Fire Authority.	
9. Any other business.	

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Minutes of a meeting of the Leicester, Leicestershire and Rutland CFA - Local Pension Board held at County Hall, Glenfield on Wednesday, 25 January 2023.

PRESENT

Mr. J. T. Orson CC (in the Chair)

Cllr. Hemant Rae Bhatia

Adam Taylor

In attendance

Callum Faint, Chief Fire and Rescue Officer
Paul Weston, Assistant Chief Fire and Rescue Officer
Colin Sharpe, Pension Scheme Manager
Helen Scargill, West Yorkshire Pension Fund
Gemma Duckworth, Democratic Services Officer, Leicestershire County Council

14. Apologies.

An apology for absence was received from Graham Vaux.

15. Minutes.

The minutes of the Local Pension Board held on 10 November 2022 were taken as read, confirmed and signed.

16. Conflicts of Interest.

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

17. 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, including the approach to payment of the immediate detriment remedy for category 2 retired members. A copy of the report marked 'Agenda Item 4' is filed with these minutes.

Members were informed that no breaches had been identified for the period to 31 December 2022. The risk register had been reviewed, with no significant changes proposed.

The local management and administration of the scheme continued. However, data gathering relating to immediate detriment and the retained firefighters second options exercise was a substantial task and required some knowledge of fire pensions and payroll. Supplementing the existing team was a key concern; the options were being explored with finance and payroll colleagues.

With regard to immediate detriment, HM Treasury had made the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022 which had come into force on 19 December 2022. These did not change the position regarding the 'early' payment of Category 2 immediate detriment ahead of October 2023.

A query was raised whether any change in position would be made after October 2023 if further direction had not been received, as it was felt important to consider the impact on those members who weren't in receipt of payments. In response, the Scheme Manager reported that it was the intention to deal with Category 2 members as early as possible, and if assurance was received before October 2023, the payments would be actioned. The Chief Fire and Rescue Officer reiterated that the remedy would be dealt with once the legal mechanisms allowed this to ensure that personnel received what they were entitled to.

The Public Service Pensions and Judicial Offices Act 2022 stated that, with effect from 1 October 2023, all in scope members must be rolled back into their relevant legacy scheme, and reformed service, for the remedy period, should be kept as an underpin.

The Regional Pensions Adviser was looking at how Leicestershire, Derbyshire and Nottinghamshire were reviewing an earlier choice process in relation to retained firefighters. This had primarily arisen from an IDRPs in Derbyshire. It was stated that personnel should now be given an opportunity to revisit their choice regarding their modified deferred pension, and it was felt that the vast majority would be included in the legislative changes after October 2023. Further details would be presented to the next meeting.

RESOLVED:

It was moved by Mr Orson CC and seconded by Councillor Bhatia that the update be noted.

18. Scheme Administrator's Update.

The Board received an update from 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. Members were informed of the following:

- The Monthly Client Reports had been issued for November and December.
- There had been a national focus on the Sargeant remedy and Matthews case. Letters had been produced and sent to relevant Scheme members following confirmation of who would be eligible under Sargeant to inform them of the in scope remedy. For those who were deemed out of scope, advice had been given that if the individual had been employed by an alternative public sector pension scheme, they could be in scope for this period and to inform West Yorkshire Pension Fund of this.
- An update from the national Scheme Advisory Board would be presented to the next meeting.
- There had been issues relating to payroll data returns and West Yorkshire Pension Fund would produce additional information for the payroll provider to ensure greater compliance with deadlines. It was the intention to produce a specific spreadsheet for month 12 returns before this was sent to West Yorkshire Pension Fund.

- There had previously been delays with commencing Annual Benefit Statements and it was the aim to start producing these in May 2023, so as not to tie up staffing capacity approaching October 2023 and the expected Remedy legislation.
- West Yorkshire Pension Fund had appointed Euan Miller as Managing Director and David Parrington had been appointed as the Pension Fund Representative for the Fire Authority.

RESOLVED:

It was moved by Mr Orson CC and seconded by Councillor Bhatia that the update provided on the administration of the firefighter pension scheme be noted.

19. Employee Representative's input.

A request for training was made. This would be arranged to take place following the local Council elections in May. It was suggested that the LGA could provide a pre-planned training session.

20. Date of next meeting.

The next meeting of the Leicester, Leicestershire and Rutland Combined Fire Authority Local Pension Board will be held on 7 June 2023 at 10.00am.

10.00 - 10.26 am
25 January 2023

CHAIRMAN

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Status of Report: Public

Meeting: Local Pension Board

Date: 16 November 2023

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:
 - a) 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 is now firmly on delivering both remedy and second options. However, there are numerous complexities, with 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, 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 is an ongoing challenge in terms of staff availability and skills/ experience.

7. There have been no recent updates regards the national 'Injury to Feelings' awards, arising from the age discrimination; the Service continues to expect to process payments when instructed to do so. Members may recall this relates to compensation for anger, distress, anxiety etc. and for any out-of-pocket losses.
8. The timeline for the new national Pensions Dashboard has been extended, with the Government announcing a fresh connection deadline of 31 October 2026. An updated 'staging timeline' will be set out in guidance. This will determine when fire pension schemes are required to connect, 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. No breaches have been identified for the period to 31 October 2023.
10. The Scheme Manager has made a number of individual decisions over recent months, which are summarised in the report.
11. The risk register has been reviewed and updated and is attached at Appendix B.

Background

Local Management and Administration

12. The local management and administration of the scheme continues. The Finance and HR teams continue to process day to day pensions work.
13. Aside from the day-to-day work, the team has been focussed 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. Further details are provided later in the report.
14. More recently, the Government Actuary's Department (GAD) has made available the first versions of online calculators to determine retrospective employee contributions, interest and tax. Later iterations will add functionality and increase the scope of cases that can be processed. However, some specific circumstances will require manual calculations and/or specialist advice; officers will need to ensure these are identified and not processed via the calculator. It has also come to light that some of the data required by the GAD calculator will require a revisiting of records already trawled for remedy.
15. 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 remains a key risk area:

- Supplementing the existing small LFRS team resources has not proved straightforward. Temporary staffing support has been difficult to come by. Two finance team members are, however, now dedicated to the task, with more senior colleagues providing guidance, oversight and review. Overtime has been worked across the finance team, to speed up data gathering and input.
- The data collection task is not 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.

16. Datasets for remedy have been prioritised and supplied to WYPF as they are completed and checked, with progress updates provided. The team expects to have supplied all the requested remedy data to WYPF by the end of November. The focus will then move onto completing the GAD calculators and progressing the Matthews Second Options.

17. 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 breaches have been identified for the period to 31 October 2023.

18. The Scheme Manager has taken a number of individual decisions over recent months. These have included acceding to a request to extend the repayment period for retained buy-back where deductions from pay had ceased for an extended period due to a payroll error; approving protected pay at a previous higher pay rate for a member's final salary link purposes in the 1992 scheme, in line with scheme regulations; and considering applications to transfer-in from a non-occupational scheme after more than one year had passed since joining the Fire scheme.

Regional and national updates and communications

19. 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.

20. The Scheme Manager attended the LGA national Firefighter Pensions AGM and Annual Conference in September. There were updates from a range of speakers/organisations, together with workshops on remedy communications and the Matthews second options exercise. The presentations can be found within the online report at <https://www.fpsregs.org/index.php/events/fire-pensions-annual-conference>

21. Staff also attend meetings with WYPF as the scheme administrator. A tailored monthly client report is received, which provides useful general administrative information and enables any specific issues to be picked up and addressed. The October 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 also note the WYPF Administrator's report to this Board elsewhere on the agenda.

22. Pension Board members were invited to an LGA-led training session on 30 August, alongside colleagues from Derbyshire and Nottinghamshire. A comprehensive slide pack was circulated afterwards.
23. The LGA has commissioned a brief introductory video to help active and deferred members understand the timescales around remedy. This can be viewed at <https://fpsmember.org/remedy/active-and-deferred-member-remedy-video>
24. The Regional Adviser and WYPF will present an online 'roadshow' for scheme members across the three FRAs on 13 November. This will cover the fine detail of the Sargeant/McCloud remedy, retirement options and a short introduction to the Matthews second options buy-back exercise. The event will be recorded, so can be accessed later. A detailed presentation on Matthews will be made available to on-call personnel soon afterwards.

Age Discrimination remedy (Sargeant / McCloud)

25. 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.
26. 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.
27. 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).
28. 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.
29. 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.
30. 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.

31. Locally, circa 570 cases are in scope of remedy. Of these, the pay data extraction and input for 500 have been completed and have been sent to WYPF (or soon will be); 60 are work in progress, aiming to complete this month; and work on 10 has not yet started. Further data work will now be needed to populate the GAD tax and contributions calculator, as referred to earlier.
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. The LGA has 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 will need to receive an RSS before they can make their immediate choice and receive any higher pension payments.
33. WYPF has also set a priority order for processing the data returns from FRAs, starting with those retired / immediate choice members whose pensions have been affected by being transferred into the 2015 scheme (35 locally), deceased members (2 locally) and active members aged 50 or 55 plus who may be closer to considering retirement (127 locally).
34. It is, however, important to note that the Scheme Manager has until 31 March 2025 to issue an RSS, notwithstanding the intended priority rankings.
35. 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 should enable members to exercise their remedy choice. The first retirement in Leicestershire is early November.
36. All active and deferred members 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.
37. The Chief Fire and Rescue Officer, Scheme Manager and Monitoring Officer have sought Counsel's opinion on the Regulations in relation to a specific Leicestershire immediate choice case in which legal proceedings have been issued but are stayed pending resolution of the procedural steps referred to above which are necessary to achieve a remedy. This continues to progress and the next procedural steps are presently under consideration.

Matthews On-call Second Options Exercise

38. In summary, the Matthews Second Options Exercise enables on-call firefighters in scope to purchase pension entitlement as a special 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 has identified some 360 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. In short, the Service essentially knows who is eligible but does not have all the up-to-date contact details.
41. This current Second Options exercise is therefore proving to be a very significant data collection exercise. Individual pay records do not exist until more recently, with the precise dates varying. Pay scales only go back so far. The present contact details for former on-call staff who may be eligible may not be held.
42. There are also many complexities, e.g. around service breaks, on-call staff who were also (or became) wholetime, interaction with Sargeant / McCloud remedy, and the impact of local working practices at the time. 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.
43. To raise awareness of the forthcoming process, posters have been displayed in fire stations, current personnel have been asked to inform past employees whom they may know to contact the Service, and a dedicated pensions email account has been set up which has received some expressions of interest.
44. The Service will send letters to the latest recorded address of all current and former personnel thought to be eligible in early December 2023. They will be asked whether they wish to receive a quote outlining how much it will cost to purchase the backdated service and an indicative estimate of the pension that this will buy. This will trigger more detailed timelines within an overall 18-month implementation period.
45. Where letters are returned undelivered or by the present householder, without a forwarding address, a tracing service will be employed early in 2024.

46. Consideration is being given with regional and national colleagues as to how to then prioritise the detailed work – 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.

Risk Register

47. 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.

48. The Register presented has been reviewed and updated to reflect the legislation effective from 1 October 2023. It can be found at Appendix B.

General Sector Updates

49. 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

50. 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.

The *McCloud* remedy has been implemented through primary legislation in Part 1 of the [Public Service Pensions and Judicial Offices Act 2022](#) and scheme regulations have put in place the necessary technical arrangements for implementing the remedy.¹ These regulations came into effect on 1 October 2023.

¹ Firefighters' Pensions (Remediable Service) Regulations 2023

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

Remedy 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.

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.

Stuart McAvoy, Head of Finance, Leicester City Council

52. 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.

53. 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.

54. Environmental

There are no environmental implications arising from this report.

55. 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, October 2023

Appendix B – Risk Register

Background Papers

Previous Local Pension Board agendas.

Officer to Contact

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Monthly Report

October 2023

Leicestershire Fire Authority



West Yorkshire Pension Fund

Prepared by:

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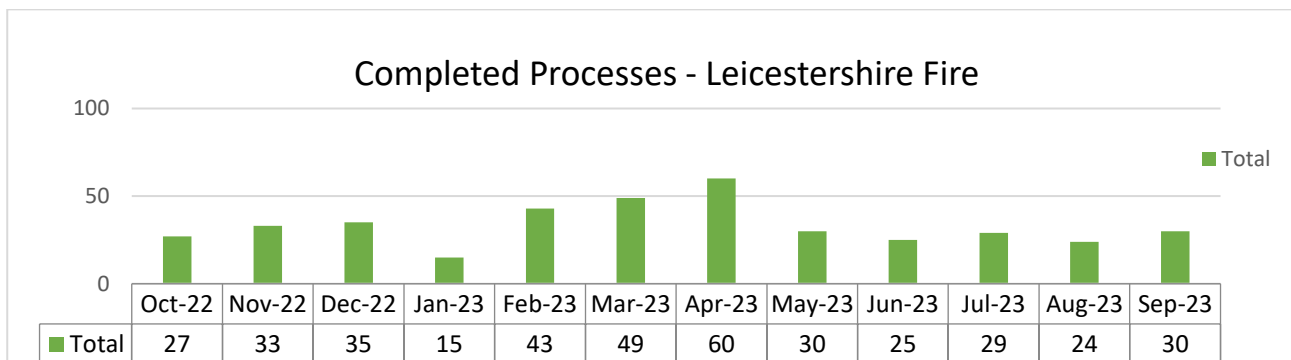


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1. Completed processes

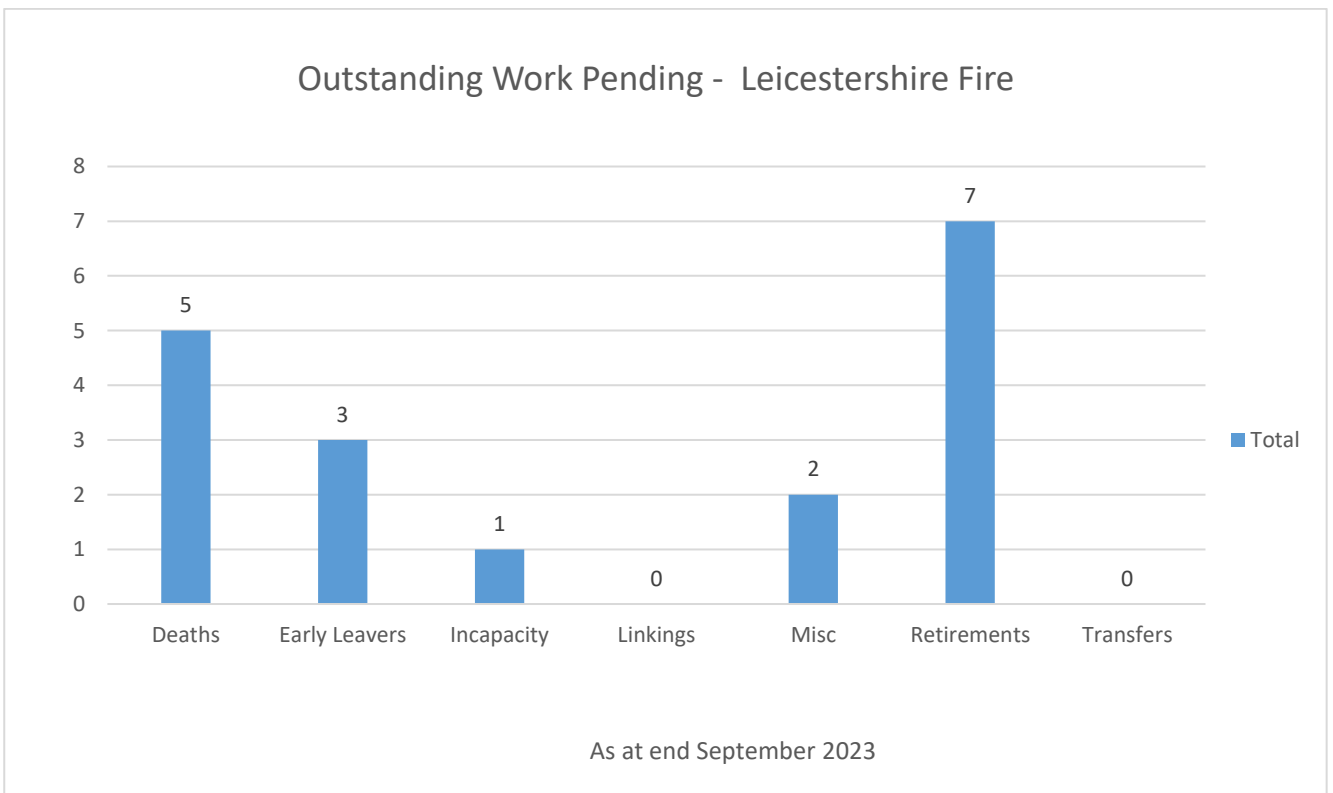
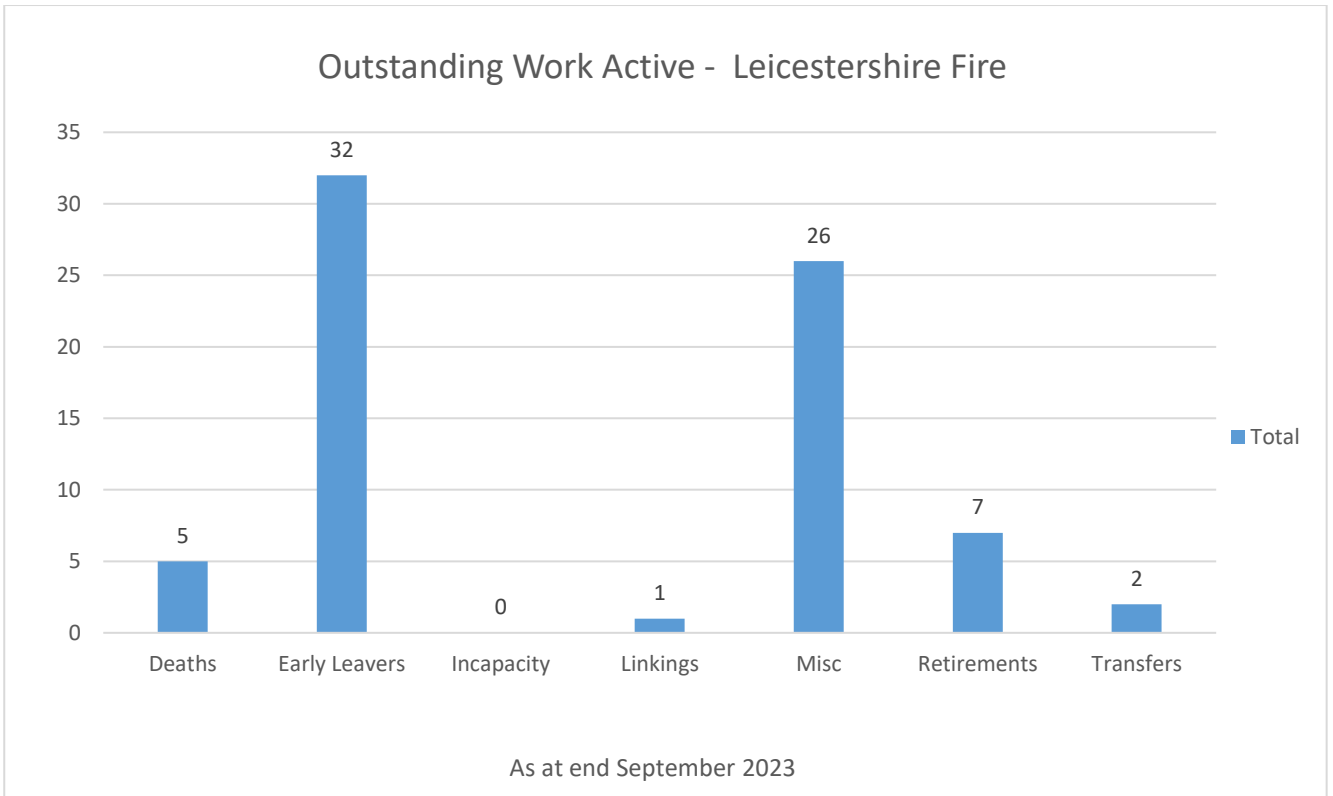
1 to 30 September 2023						
Work Type	Total Cases	Target days for each case	Target met cases	Minimum Target Met	Target met percent	Average time taken
Deferred Benefits Set Up on Leaving	4	20	2	85	50	58.5
Pension Estimate	6	10	5	90	83.33	4.67
Pension Set Up/Payment of Lump Sum	3	3	3	85	100	3
Deferred Benefits Into Payment/Payment of Lump Sum	1	3	1	85	100	3
Retirement Actual	3	10	3	90	100	2.67
Change of Address	2	20	2	85	100	6.5
General Payroll Changes	5	20	5	85	100	1.2
Age 55 Increase to Pension	1	20	1	85	100	11
NI adjustment to Pension at State Pension Age	1	20	1	85	100	3
Death in Retirement	1	10	1	85	100	6
Update Member Details	1	20	1	100	100	1
Life Certificate	1	10	1	85	100	3
Initial letter Death in Retirement	1	10	1	85	100	1
Monthly Pension	745	Pay date	745	100	100	



Deferred Benefits on leaving didn't meet due to other urgent work taking priority. The scheme members have received confirmation within 2 months of WYPF receiving the leaver information that they have a deferred benefit. This meets the statutory requirements, and the values/details were issued shortly after.

Pension Estimates did not meet. This is because estimates with an intended retirement date of 3 months or more in the future are not processed until the more urgent estimates with a retirement date within 3 months have been completed.

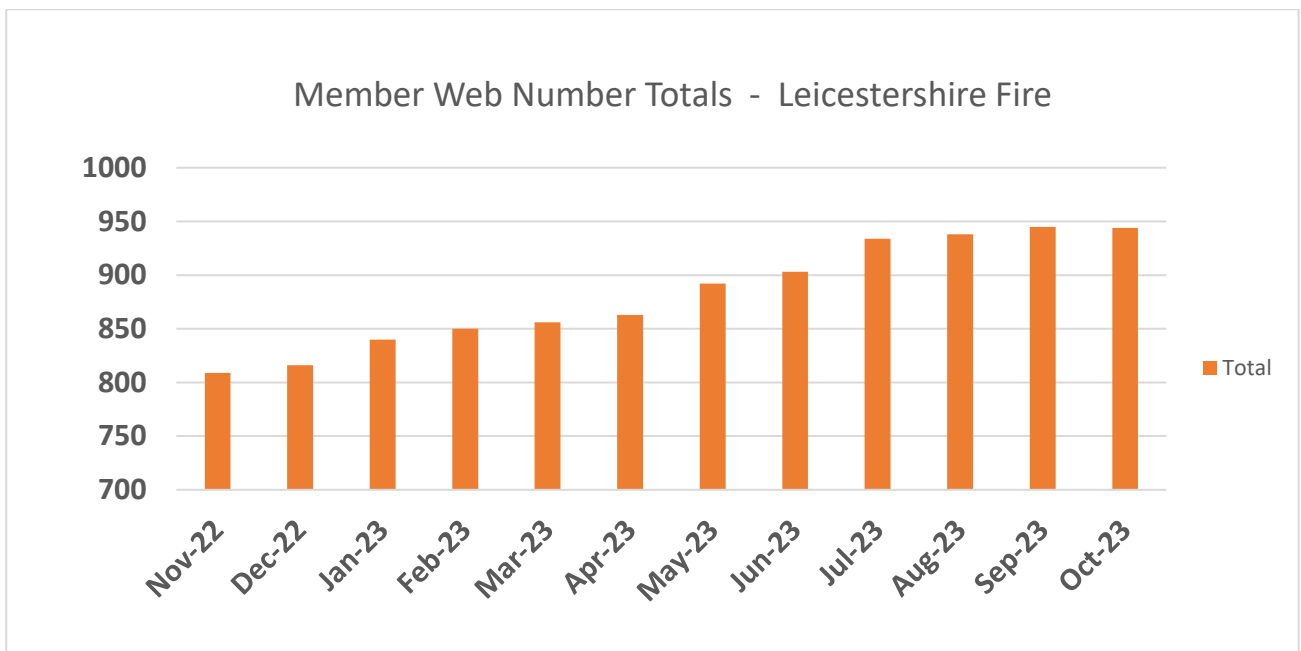
2. Work in Progress



3. Member Web Registrations

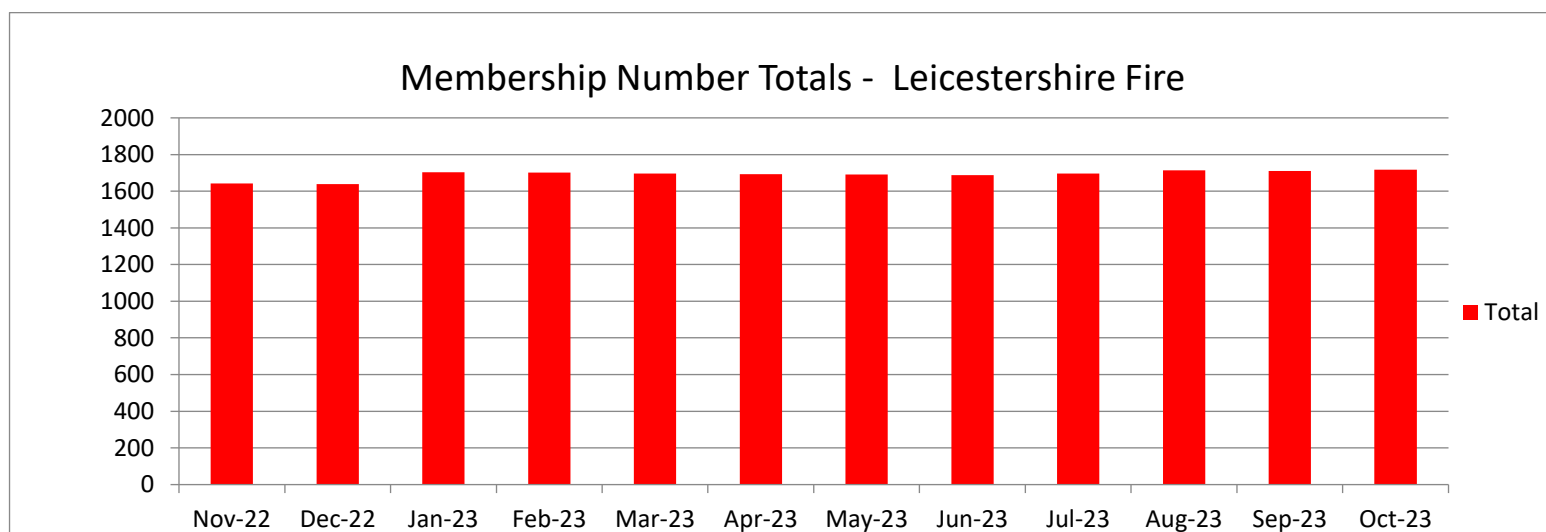
The number of members signed up to member web are:

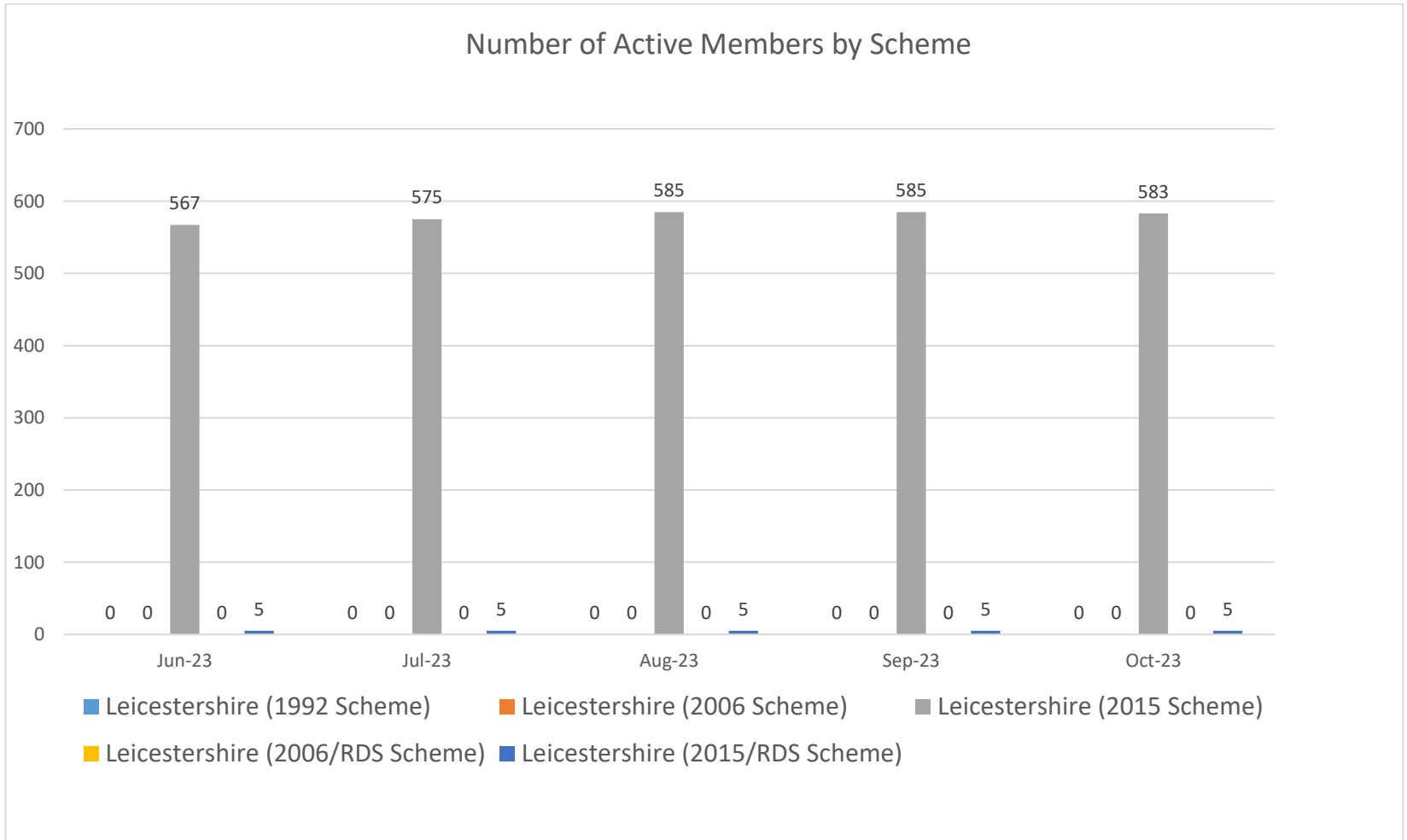
Status	Number
Active	339
Pensioner	426
Pensioner Ex-Spouse	0
Beneficiary Pensioner	30
Deferred Ex-Spouse	0
Deferred	149



4.Membership Numbers

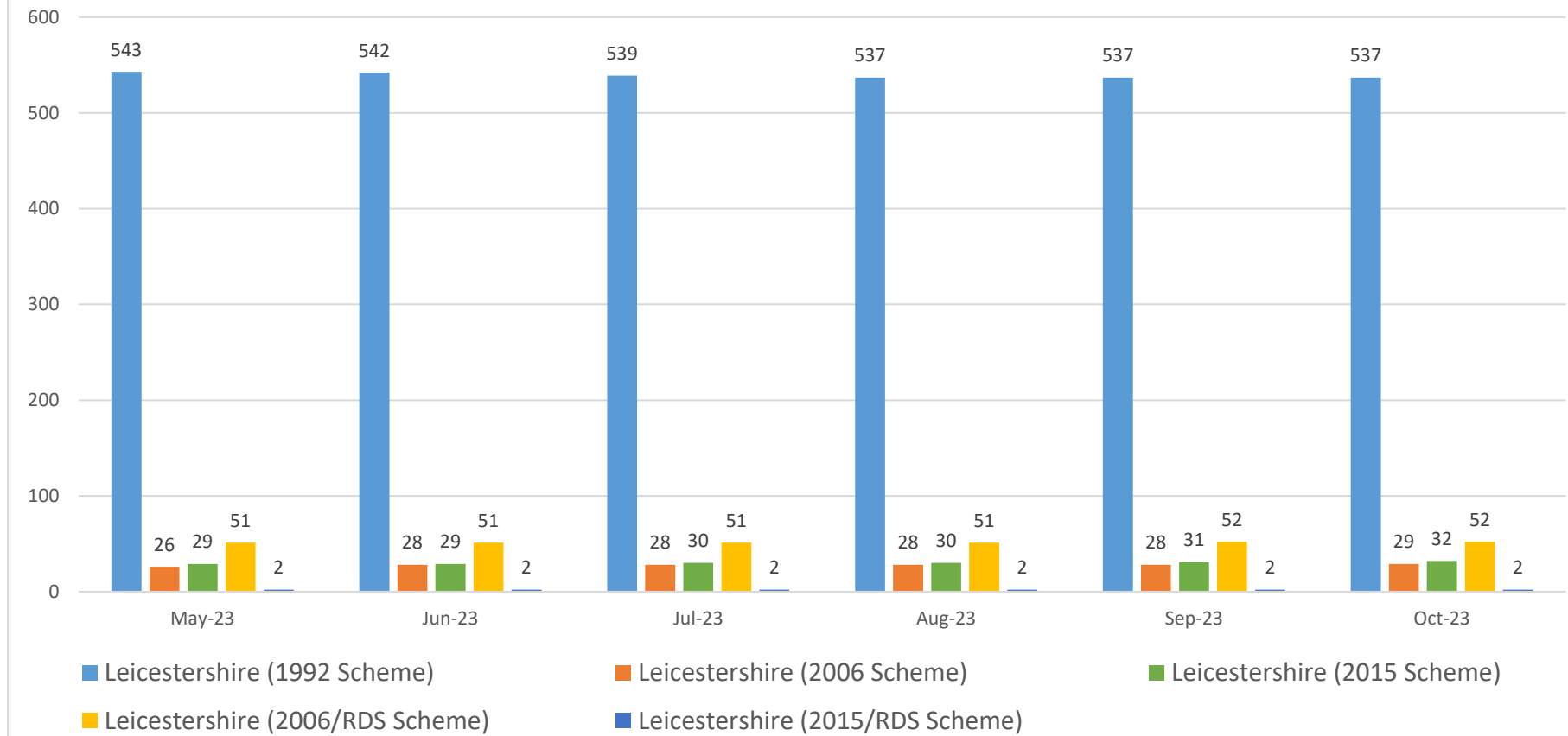
Scheme Name	Active Members	Deferred Members	Pensioners	Beneficiaries	Preserved Refund	Leavers Options Pending
Leicestershire (1992 Scheme)	0	35	537	78	1	0
Leicestershire (2006 Scheme)	0	135	29	2	9	0
Leicestershire (2006/RDS Scheme)	0	10	52	2	0	0
Leicestershire (2015 Scheme)	583	178	32	2	1	23
Leicestershire (2015/RDS Scheme)	5	2	2	0	0	0







Number of Pensioners by Scheme



5. Administration Update

From 1st October

Now that we find ourselves post 1st October 2023, there are a number of important issues we need to share with you regarding:

- Warm up letters to members
- Processing of retirements
- 'Roll back' into legacy scheme and My Pension
- Immediate Choice - Timeline

Warm up letters to members

In the last few weeks, WYPF have issued the Sargeant warm up letters to members of FPS based on those produced by LGA.

As you may know the letters reference the 'rolling back into the member's legacy scheme, effective 1 October 2023, for the remedy period (1 April 2015 – 31 March 2022) and the provision of a remediable service statement (an ABS-RSS for ongoing active members) each year.

All in-scope members have been sent the appropriate letter **with the exception of the 1992 III Health Review cohort** – these remain the responsibility of your FRA to send. We think the warm-up letter exercise has been a success as over 13,000 letters have been distributed to date with only 60 calls from Firefighters to our contact centre.

The cost is £0.75 per scheme member and FRAs will shortly receive an invoice based on the number of letters we sent for them.

Please note: The 1992 ill health cohort letters must be distributed by FRAs within 3 months of the date of legalisation change, which was 1 October, to comply with Disclosure Regulations. These letters, therefore, must be sent to scheme members by 31 December 2023.

Processing of retirements

In relation to retirements, we can confirm as communicated in Hot Topics that we would pay benefits on a legacy-only basis whilst we awaited the LGA-produced deferred choice remediable service statement (DC-RSS). Administrators must use this national document, hence our decision at that time.

Although the RSS is still not available, the GAD contribution calculator has since been made available (albeit with certain caveats). WYPF will, therefore, follow the LGA guidance as per their bulletin 72 enabling members facing retirement from 1 October to exercise their final remedy option prior to retirement.

WYPF will send the remedy retirement packs to FRAs that reflects the LGA position and consists of:

- The covering letter proposed by LGA in bulletin 72 that makes it clear that members are being offered their remedy choice now but with the key exception that details of the contribution adjustment is not included (see below)
- Benefit details on both a legacy and reform basis, along with the associated option and claim form required to pay their chosen benefits.

Members will be required to return all signed elections forms/documentation directly to WYPF.

Please note:

The contribution adjustment (GAD calculator), and the deduction mandate that will provide the necessary authorisation for WYPF to deduct any underpaid contributions from the lump sum, must be provided by FRA.

WYPF have drafted a deduction mandate that has been shared with a few FRA. Providing feedback is positive, we will share this mandate with all FRA clients and require it to be used for all retirements.

Estimate requests will also consist of benefits on a legacy and reform basis and just to remind all FRAs we will continue to provide these estimates where the retirement date is within the next 12 months.

FRAs will be aware of the incorrect CARE revaluation that has been applied to member benefits for 2020/21 & 2021/22 years. WYPF are using the corrected figures for the Remedy cases and members benefit values will be calculated correctly first time without the need for additional communication and recalculations.

‘Roll back’ into legacy scheme and My Pension

Roll back only happens on 1 October for active and deferred members. Pensioner members will be rolled at the point of their immediate choice election.

Rollback into their former legacy (final salary) scheme for active members is a key aspect of the legislation. Whilst our calculations to members include the roll back mechanism, this is not yet presented within our software. Members who login to the My Pension portal will not see the effect of the roll back being displayed on their pension record at the moment.

FRAs should be aware WYPF are currently considering the most appropriate means of making it clear to members that roll back will be reflected within their pension record at the earliest possible time and members should be assured that any figures produced by WYPF will include roll back.

Immediate Choice - Timeline

The Remedy Priority Timeline was produced following discussions with key members of both the Police & Fire Pensions Community.

The key reasons for the decisions can be found at slide 10 of the [Remedy timetabling](#) presentation delivered at the LGA Coffee Morning on 5 January 2023.

A [paper](#) was presented to the 23 January 2023 meeting of the Fire Scheme Advisory Board and the proposals agreed by SAB at that meeting.

There are a number of union representatives on the board, FBU x 4, FOA x 1, FRSA x 1 & FLA x 1, there were no objections raised.

The indicative timetable is now available on the member [website](#). The dates were also included in the Warm Up letters WYPF sent to pensioner members on behalf of the FRAs.

The members, therefore, already have an expectation of when their benefit choice will be made available.

As this has been agreed at a national level to manage member expectations and provide a level of consistency across all FRAs and administrators nationally, WYPF will be following these

timescales for all our FRAs and their scheme members so that everyone is treated consistently regardless of the FRA they used to work for. By complying with this nationally agreed approach WYPF believes we will deliver Remedy in accordance with the scheme regulations, best practice and guidance resulting in the removal of discrimination.

Data breaches

None

6. Communication & Training

Pre Retirements Courses

As communicated in Hot Topics 16 August there are two online courses provided by Affinity Connect. Please can FRAs communicate and promote these courses internally.

Members can book online and the details can be found on our website. The course dates are 30 October and 30 November.

Pension boards

- Derbyshire – 7th September
- North Yorkshire – 6th September
- Lincolnshire – 14th September
- Warwickshire – 25th September
- Buckinghamshire – 27th September

National / regional meetings

- P&F Stakeholders – Remedy – 12th September
- Fire Technical Meeting – 19th September
- Fire AGM – 19th & 20th September
- Matthews TWG – 21 September 2023
- GAD McCloud Contribution Calculator – 25th September
- X Whitehall TWG – 28th September

Client training delivered by WYPF

- Buckinghamshire – Annual Allowance – 27th September
- Buckinghamshire – Pre retirement – 28th September

7. Member Update

None

8. IT Update

ISP provider appointed for Dashboard

We are delighted to announce we have appointed Bravura as our Integrated Service Provider (ISP), who will provide our cloud hosted services connected to the Pensions Dashboard technology ecosystem.

GAD factors

Significant work is in progress to update the GAD factors across LG and Fire. This is an extensive and detailed piece of work.

All calculations will include the current factors, even if in the short term we may have to manually apply the correct factor to some calculations.

GMP Reconciliation

The systematic side of the reconciliation has now been run for a number of fire authorities and we will update you with further information as other FRAs are completed.

The results are positive with limited non-systematic work remaining and will be fed into the data quality scores in due course.

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	✓				

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
Treasury Management (Short Term Cash Lending)	1	18/12/22	0	75	✓	✓	✓	✓	✓
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 73 - September 2023 \(fpsregs.org\)](#)

Some key issues to highlight:

FPS

[FPS Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#)

In [FPS Bulletin 68 – April 2023](#), we informed you that the consultation on the retained Firefighters' Pensions: proposed changes to the Firefighters' Pension Scheme (England) 2006 had been launched. On 8 September 2023, Government [published their response](#) to the draft Firefighters' Pension Schemes (England) (Amendment) Order 2023 to provide further access to the modified pension scheme for retained firefighters and the policy intent to implement this.

[The Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) were also laid. The regulations come into force from 1 October 2023.

ACTION: FRAs and administrators to familiarise themselves with the consultation response ahead of the Matthews Second Options exercise.

Matthews - Supporting documentation

To assist FRAs with the Matthews second options exercise the Firefighters Communications Working Group have undertaken a thorough review of the communication material which was available for the first options exercise. Where appropriate, the material has been updated to reflect the position of the second options exercise. The template letters and guidance FRAs require have now been published and can be found on the [Special Members of FPS 2006](#) page of the regulations and guidance website.

To ensure consistency across the sector, FRAs are encouraged to use the material provided.

A data sharing agreement and template wording to be added to an FRAs privacy notice, has been commissioned through Eversheds, for those cases where an FRA needs to obtain pay and service details from another FRA to allow them to give the individual their options.

Disclosure Requirements

In advance of the regulations for the Sargeant and Matthews remedies coming into force on 1 October 2023 we would like to remind scheme managers of their requirements under the [Regulation 8](#) of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2015. Which is to notify individuals of material alterations to basic scheme information within 3 months of the changes take place.

In terms of the Sargeant remedy, this requirement will be achieved when all eligible members have been sent a warm up letter, details of which can be found in [FPS Bulletin 71 – July 2023](#) and [FPS Bulletin 72 – August 2023](#).

In terms of the Matthews remedy, this requirement is achieved when FRAs send out the initial 'expression of interest' letter to those individuals who have been identified as being eligible under the second options exercise.

For further information regarding disclosure requirements please see our [factsheet](#) which is available on the regulations and guidance website.

ACTION: FRAs to ensure they comply with disclosure requirements by ensuring they send the appropriate letter to Sargeant and Matthews eligible members no later than 31 December 2023.

Age Discrimination Remedy – GAD Tax and Contribution Calculator

On 12 September 2023, the Government Actuary's Department (GAD) released the Age Discrimination Remedy - Tax and Contribution Adjustment Calculator, user guide, data template and supporting administration process note.

The material will be stored centrally on the member area of the FPS Regs and Guidance website. A new page titled '[Age Discrimination Remedy – GAD Tax and Contribution Calculator](#)' has been created specifically for this material. Our intention is to keep the material on this page up to date, we therefore recommend that you refer to this section to access the most current version as emails will not be sent each time, we update the page is updated. We therefore recommend that you do not save the calculator locally, instead please use the website to access the current version.

Since launch we can confirm that the calculator has been updated to allow for those who use Excel 2019.

GAD have confirmed that should stakeholder IT departments wish to audit the VBA (Visual Basic for Applications) macros, a password can be provided. Please contact GAD directly using the firepolicemcccloudtaxinterest@gad.gov.uk email for access.

It is recommended that stakeholders carry out testing of the calculator and report any issues directly back to GAD firepolicemcccloudtaxinterest@gad.gov.uk. It would also be helpful if you could copy the LGA into such emails using our central email address (bluelightpensions@local.gov.uk), this will allow us to monitor where any issues arise.

Over the course of the model's development, GAD have tested a diverse range of example members. However, they have not received any live member data for testing. As such there remains two risks

- 1) That the calculator struggles to process very large datasets
 - a. They do not expect this to be a likely issue, but if users encounter it, they can resolve the issue by splitting data into separate groups.
- 2) That there are some complex cases which do not work as expected within the model
 - a. As above, GAD strongly recommend users to check the results of the calculator for accuracy and appropriateness.

Please note that the NS&I interest rates go past those set out in the HMT PSP Directions 2022. GADs understanding is that HMT will amend their Directions to line up to these rates. However, GAD are seeking confirmation, through the Home Office, of this. **Therefore, please do not issue any payments until this confirmation has been received.**

ACTION: FRAs and administrators to familiarise themselves with the calculator and carry out testing against their data and feedback any issues to GAD and LGA

Age Discrimination Remedy – Member videos

We are delighted to announce the publication of the member remedy videos, that we have been working in partnership with Aon. There is one video for retired members and one for active and deferred members.

For those of you who attended the remedy communications workshop at the AGM last week, you will have had a 'premiere' viewing of the videos. We are pleased to confirm that the final version has now been added to the [fps member website](#).

Action: FRAs and administrators to publicise the QR code and signpost individuals to the fps member website for information relating to remedy, in particular the member videos as part of your communications.

WYPF to put videos on our website

Concurrent Service – Interbrigade transfers

We would like to remind FRAs that scheme regulations do not support aggregation of concurrent service. We therefore strongly recommend that, when a firefighter is subject to an interbrigade transfer, the FRA that they are transferring to and the FRA they are transferring from agree a mutually acceptable transfer date which results in no break or overlap in service.

Failure to do so could prevent members from combining their pension entitlement.

ACTION: FRAs to make employees aware of the pension implications, should an overlap of service occur when leaving and joining another FRA, even if only by a day.

HMRC

Public Service Pensions Remedy – Member calculator

Tax Adjustment inputs

HMRC have produced a [document](#) that sets out the inputs a member will need to put into the member calculator.

This is the information a user could be asked in order to calculate compensation and/or tax adjustments (biographical info entered by the user is not included). The calculator is designed to only ask users for the information specific to their circumstances, so questions around the tax (AA or LTA) and the years will be displayed as appropriate, based on the options they select at the beginning of the journey. The wording of the questions in this document does not reflect the wording in the calculator itself- that wording has been user tested and approved by content designers.

As previously communicated, the information which users will need to have from their pension scheme to complete the calculator is;

- original pension input amount (for each tax year from 2012/13 to 2022/23) – 2012/13 to 2014/15 is only required if the member did not have an AA tax charge in 2014/15, so the correct carry forward amount is used from 2015/16
- revised pension input amount (for each tax year from 2015/16 to 2022/23)

ACTION: FRAs and administrators to familiarise themselves with the inputs that the member will need information for

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

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 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 lack of expertise in the revised/new provisions.	Business process	Breach of regulation	<p>Advisors to 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 quarterly at which key information relating to the administration is provided. Extraordinary meetings can be arranged for urgent items.	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 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>Website regularly updated.</p> <p>Newsletters published.</p> <p>Annual Benefit Statements produced and distributed.</p> <p>Updates on key scheme changes.</p> <p>WYPF engaged as administrator</p> <p>Regional Pensions Advisor engaged.</p>	2	3	M	TACT	Regular pension roadshows to be arranged inviting all 3 FRAs' employees	Scheme Manager	Rolling programme	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

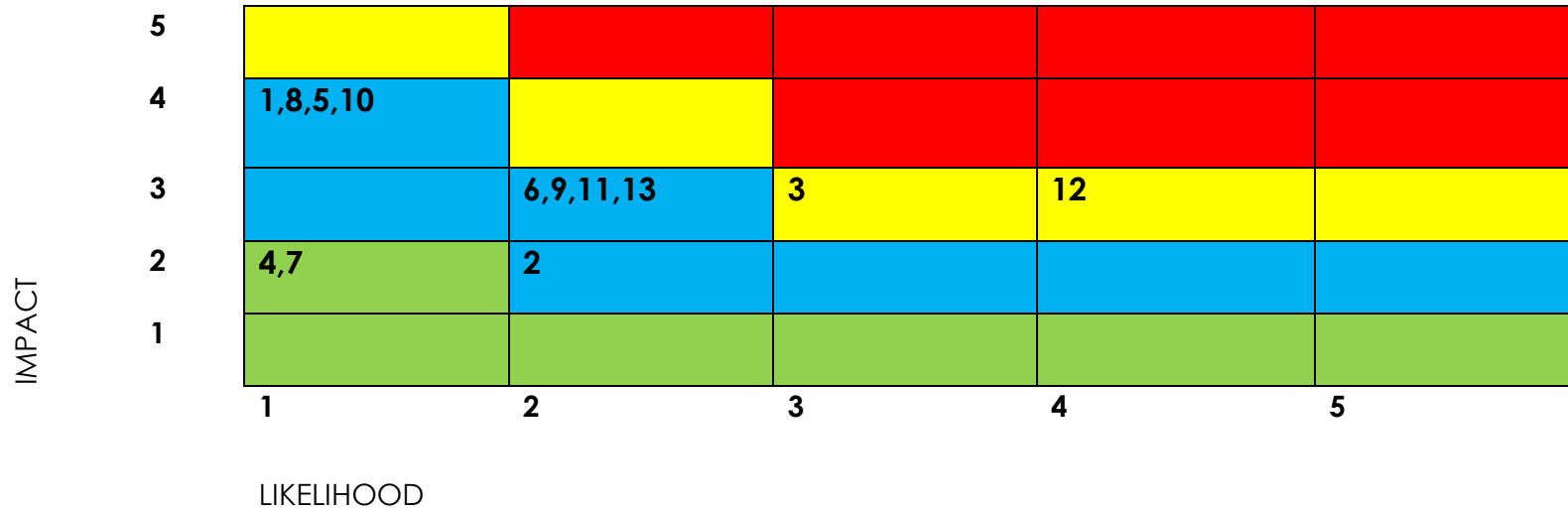
PRR REF	HAZARD STATEMENT	PRIMARY RISK HEADING	SECONDARY RISK DESCRIPTOR	CONTROL MEASURES IN PLACE	CURRENT RISK (after current control measures)				CONTROL MEASURES TO BE IMPLEMENTED	CONTROL MEASURE OWNER	PROJECTED IMPLEMENTATION DATE FOR ALL CONTROL MEASURES	RESIDUAL RISK (after all control measures implemented)			
					L	I	R	ML				L	I	R	ML
11	Impact of the McCloud / Sargeant judgements - Age Discrimination Remedy. Impact of the 'Matthews' Retained second options exercise.	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. LFRS has insufficient 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 and NFCC. Work with WYPF. Reference court judgements, legislation, Government guidance and sector agreements. Regular reports to the CFA and LPB, including risk analysis. Some additional staff resource identified and in place.	3	3	H	STRA	On-going review of staff and systems capacity to undertake the necessary remedies, across LFRS, WYPF and Warwickshire CC.	CFO and Scheme Manager	On-going	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		
	Annual Allowances impact staff retention and promotion.					Not a pension scheme governance or administration matter.	January 2023

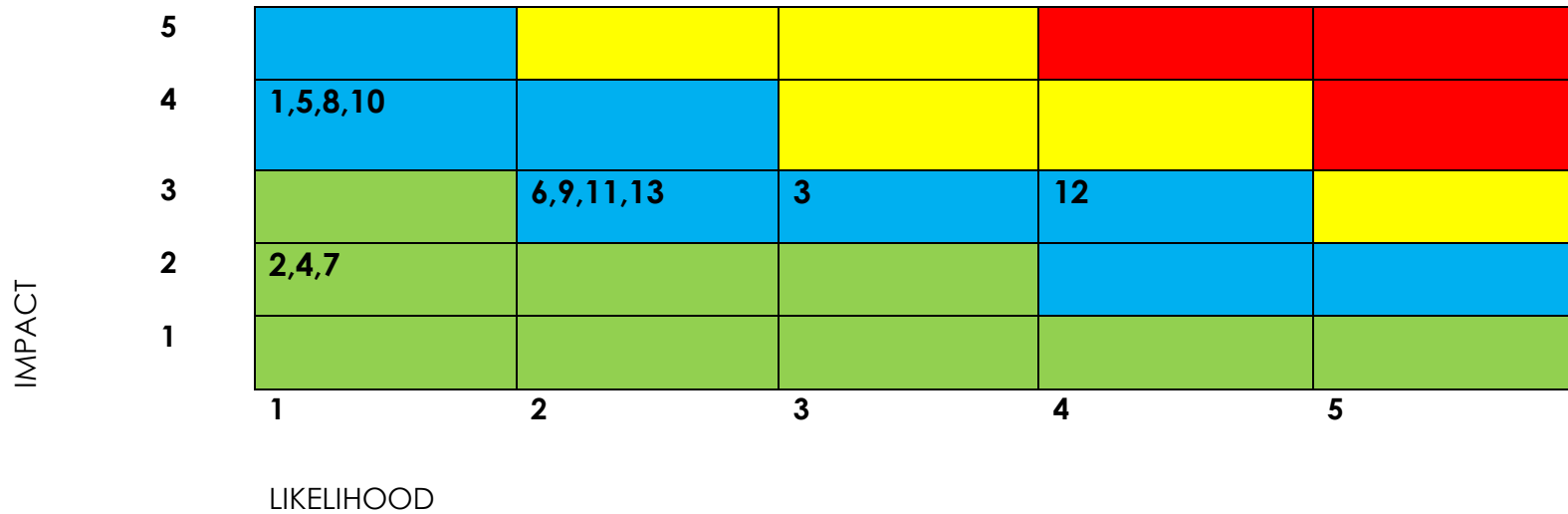
Appendix 2

Risk Assessment Matrix



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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West Yorkshire Pension Fund

Firefighters Pension Scheme

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

16 NOVEMBER 2023

**REPORT FROM WEST YORKSHIRE PENSION FUND – PENSION
ADMINISTRATOR**

PENSION FUND ADMINISTRATION REPORT

Purpose of the Report

1. To inform the Combined Fire Authority (CFA) Local Pension Board of firefighter pension administration activity.
2. This is designed to assist the CFA Local Pension Board. It is also considered best practise to provide a report of this type.

Recommendation

3. That the Local Pension Board notes the update provided on the administration of the firefighter pension scheme for the period.

Background

Annual Benefit Statements

4. 100% of the Annual Benefit Statements for 2023 have been produced for LFRS active members.

Pension Savings Statements

5. There were 21 possible breach cases and all received a Pension Savings Statement by the 6th October deadline.

General Updates

6. The Monthly Client Reports have been issued each month since the last meeting and contain a lot of useful information and actions from the LGA bulletins.
7. The LGA bulletins have been issued on a monthly basis since the last meeting. Any key issues are also included in the Monthly Client Reports.

8. The Fire Communications Group meeting took place on 14 April 2023 and updates are as follows:
 - Information on updating the LTA factsheet is available in the April bulletin
 - The creation of a Compensation Scheme section in the fps member website
 - The Ill Health process guide is available in the April bulletin
 - There has been an update to ABS 2023 and the guidance notes
 - There have been communications in relation to Matthews and McCloud, and the Matthews poster is available in the April bulletin
9. There was a further Fire Communications Group meeting on 26 September 2023 where the McCloud member video was signed off and is now available on the fps member website. There was also further communications around the McCloud case, including a Remediable Service Statement update, Contingent decision guidance, a Tax remedy factsheet, a contributions factsheet and FAQs. In relation to communications around Matthews, there had been a final sign off of the template letters and guidance, which were issued with Bulletin 73.
10. The Fire Technical Community meeting took place on 20 June 2023 and there were some roundtable discussions on Sargeant, Matthews, the Annual Benefit Statements 2024 and Remediable Service Statement.
11. The Fire Technical Community meeting which took place on 19 September 2023 considered the regulations, the Home Office consultation response and general principles of Reasonable Endeavours in relation to Matthews. There was also a discussion around Remediable Service Regulations and the consultation response to the abolition of the Lifetime Allowance.
12. The Fire Scheme Advisory Board met on 8 June 2023 and discussed the first actuarial update on the change to the SCAPE rate and the SAB response to the Matthews consultation discussion. An update was provided from both Civica and Heywood Pension Technologies.
13. The Fire Scheme Advisory Board held on 14 September 2023 received a Home Office update and a GAD presentation on the Matthews calculator. There was a discussion on Matthews and the need for a data sharing agreement and the Home Office response to McCloud consultation was reported.
14. Fire Quarterly Client Meetings took place on 19 April 2023 and 26 July 2023, the minutes for which have been circulated. The minutes for the meeting held on 25 October 2023 are not yet available.
15. In terms of Regulation amendments, The Firefighter Pensions (Remediable Service) Regulations are now available and are effective from 1 October 2023. The Public Service Pension Schemes (Rectification of Unlawful

Discrimination) (Tax) (No.2) Regulations 2023 have been published and will come into force on 14 September 2023. The Regulations relating to the Matthews 2nd options exercise have now been laid and came into force on 1 October 2023.

Home Office

16. The Home Office is working on a consultation for the changes to the CARE Revaluation Rate for 2021 and 2022, as an incorrect rate was issued by HM Treasury.

DWP and Pensions Dashboard

17. West Yorkshire Pension Fund (WYPF) has appointed a company to be its Integrated Service Provider, who will provide the cloud hosted services connected to the Pensions Dashboard technology ecosystem.

WYPF Update

18. The following are updates from the WYPF:
 - Monthly Returns continue to be received and WYPF has posted up to August 2023.
 - The month 12 return was received and processed with a much lower number of queries than the previous year. There were, however, some issues with the timeliness and quality of the response for some members.
 - In terms of Pension Estimates, the Service is asked to ensure that a pension estimate is requested if someone indicates that they are thinking of retiring in the next twelve months; WYPF will supply both benefits under Deferred Choice so they can make an informed decision regarding their retirement date.
 - In relation to retirements from 1 October 2023, in the short term it is requested that the IDF Spreadsheet for these individuals continues to be sent. Once WYPF has the Financial Extract and this data has been uploaded on to member records, it won't be necessary to complete the spreadsheet.
 - From 1 October 2023, all active and deferred members will be treated as being 'rolled back' into their legacy scheme. Following on from that their Annual Allowance will also be 'rolled back' and the Pension Input re-calculated based on membership of the legacy scheme for their full remedy period. For Pensioner members 'roll back' will not occur until the member makes their Immediate Choice election

Communications

19. Remedy Warm Up letters have been sent to active, deferred and pensioner members. It will only be necessary to send this letter to those with 1992 membership who retired with ill health. The letter will need to be sent before 31 December 2023 to meet the overriding disclosure requirement.

Data Improvement Plan

20. WYPF will run these reports quarterly and will supply the revised percentages. It is the intention to complete the high priority by November 2022, medium priority by November 2023 and low priority by November 2024.

Appendix A – Leicestershire Fire – Data Scores

1992 scheme	Feb 2021	Nov 2021	Dec 2022	October 2023
Common	94.44	96.78	99.70	99.54
Scheme Specific	84.19	86.53	89.43	89.57
2006				
Common	87.23	87.50	89.27*	89.14*
Scheme Specific	87.23	96.74	100	100
2006 modified				
Common	97.01	96.88	100	100
Scheme Specific	0	95.31	100	100
2015				
Common	96.14	97.60	96.02	97.13
Scheme Specific	85.21	93.10	92.81	96.89
2015 modified				
Common	100	100	100	100
Scheme Specific	0	71.43	77.78 (2 cases)	100

*19 deferred members where the current home address is unknown

Officers to Contact

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