

West Midlands Fire and Rescue Authority

Pension Board

**You are summoned to attend the meeting of Pension Board to be held on
Thursday, 08 December 2022 at 14:00**

at Digital Meeting via Teams,

for the purpose of transacting the following business:

Agenda – Public

- 1 To receive apologies for absence (if any)
- 2 Minutes of the last Pension Board held on 20 September 2022 **3 - 8**
- 3 Minutes of the last Pension Board - 20 October 2022 **9 - 12**
- 4 Pension Section Supporting Information **13 - 16**
- 5 Risk Register **17 - 20**
- 6 The Pensions Regulator Supervisory Report - Action Plan **21 - 26**
- 7 Business Continuity Plan
 - This document contains some information which cannot be made readily available. However, to comply with the spirit of the Freedom of Information Act, should you require details of this report it may be possible to give you access to certain information. If you wish to do that, please apply to the Data Manager, details below. Freedom of Information Act request, Martina Doolan, Data Manager, West Midlands Fire Service Headquarters, 99 Vauxhall Road, Birmingham, B7 4HW.
- 8 Recruitment Update

- 9 Update on New Systems/Automation of Process
- 10 External Communications Update
- 11 Update on Topical, Legal and Regulatory Issues (Verbal Report).
- 12 Training Update
- 13 Pension Board Work Programme 2022-2023 **27 - 32**
- 14 Date of next meeting
[To agree the date of the next Pension Board Meeting].
- 15 Any other business
Discussion of any other business not on the agenda.

Distribution:

Independent Chair - Vacancy, Julie Felton - Employer Representative, Adam Harper - Scheme Member Representative, Kal Shoker – Employer Representative, Alan Tranter – Scheme Member Representative, Employer Representative – Vacancy, Scheme Member Representative – Vacancy.

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This agenda and supporting documents are also available electronically on the West Midlands Fire Service website at www.wmfs.net

Pensions Board

Item 2

20 September 2022 at 14:00 hrs by Digital Meeting

Attendance:

Chair: Kal Shoker – Employer Representative

Employer Representatives:

Julie Felton

Employee Representatives:

Adam Harper

Officers and advisors in attendance:

Cllr Miks – (Chair of Audit Committee)

Tom Embury – Deputy Clerk to the Authority

Mike Griffiths – Strategic Enabler – Finance and Resources

Paul Gwynn – Pensions and Payroll Manager

Kirsty Tuffin – Democratic Services Officer

1. Apologies

Apologies were received from Alan Tranter, Employee representative.

2. Minutes of the Previous Pension Board held on 28 March 2022

Resolved:

1. That the minutes of the Pension Board held on 28 March 2022 be approved as a correct record of proceedings.

3. Minutes of the Previous Pension Board held on 10 June 2022

Resolved:

1. That the minutes of the Pension Board held on 10 June 2022 be approved as a correct record of proceedings.

4. Chair's Introductions

The Chair advised the Board that Samantha James had resigned from her post with People Support Services (PSS) and a new PSS appointment to the Board would be made in due course. He advised the Board that Audit and Risk Committee on 18 July 2022, had four relevant reports to the Board: Immediate Detriment Cases, Pensions Administrative Issues, the appointment of an Independent Chair to the Board and Auto-Enrolment. Unfortunately, the meeting had not been quorate and the two reports requiring a decision had been deferred to the September Audit and Risk Committee meeting. The four issues raised within the Pension Administrative Issues report would be covered within the Pension Board agenda later on.

5. **Business as Usual Performance Report**

Paul Gwynn, Pensions and Payroll Manager, presented the Business-as-Usual Performance Report, that outlined the basic demographics, activity levels/performance and the Internal Dispute Resolution Procedure.

The Board were advised that the figures on active firefighters/Non-Members had not been available and would be provided at the next Pension Board meeting. The key figures, as at 31 August 2022, highlighted to the Board were:

- 2015 Members = 1,225
- Pensioners = 2,244
- Dependents = 424

The key activity levels for 01 April 2022 – 31 August 2022 highlighted were:

	01 April 2022 to 31 August 2022	Average response times (days) if applicable
Age Retirements	26	N/A
Transfers to other brigades	0	N/A
Transfer applications	0	N/A
Request for Estimate Benefits	14	11
Divorce cases	6	No responses
General Information	1	50

The Board were advised that one Internal Dispute Resolution Procedure (IDRP) had been submitted to the Strategic Enabler for Finance since 1 April 2022. No further information had been received from the ombudsman in regard to one potential case that could be received. Two cases within McCloud had not been upheld by the Strategic Enabler for Finance as the final legislation had not been received however, one of these cases would be reviewed again given the decisions made at Audit and Risk Committee regarding how cases should be dealt with.

Following queries from the Chair on a previous IDRP case and overpayment, Paul Gwynn provided reassurance to the Board that particular cases had applied the abatement rule and no further overpayments were made.

Resolved:

1. That the Business-as-Usual Performance Report be noted.

6. **Immediate Detriment Update**

Paul Gwynn provided a verbal update on Immediate Detriment. He advised the Board that a decision would be discussed at Audit and Risk Committee on Monday 26th September that would determine the approach moving forward with Immediate Detriment cases. Those that fell within the Immediate Detriment would be categorised into two categories. Priority would also be given to a group of 37 members that had not been provided with the choice of remedy under the Immediate detriment. The Board were advised that two members of staff had been employed to assist with the processing of cases. The successful Candidates had a good calibre of knowledge but would undergo the relevant training once they are in position.

7. Recruitment

Tom Embury, Deputy Clerk to the Authority, provided a verbal update on the recruitment process for both the employee representative and the Independent Chair of the Board vacancy held on the Board.

The Board were advised that the decision to begin the process of appointing an Independent Chair would be discussed at Audit and Risk Committee on Monday 26 September. The process for the third scheme member would be restarted following issues around the voting process that allowed potential duplication of votes around up-to-date email/contact details. This would be looked into and resolved as soon as possible. Members would be informed that the process would be restarted. It was agreed that Adam Harper would correspond with Julie to resolve issues around up-to-date email addresses for members of staff receiving the electronic vote. It was agreed that Julie Felton would share any correspondence where members have advised incorrect email addresses have been used to Paul Gwynn. Julie Felton re-assured Members that the electronic vote was circulated on 12 September and those that bounced were circulated a postal vote.

Resolved:

1. That the verbal update on recruitment be noted.
2. That it be agreed that Adam Harper would correspond with Julie to resolve issues around up-to-date email addresses for members of staff receiving the electronic vote.
3. That it be agreed that Julie Felton would share any correspondence where members have advised incorrect email addresses have been used to Paul Gwynn

8. Annual Report of the Pensions Board 2021-2022

The Chair of the Board provided an overview of the Annual Report of the Pension Board for 2021-2022. The Board were advised that the report would contain the following:

- The Background of the Board
- Attendance at meetings
- The work conducted by the Board throughout 2021-2022
- Summary from the Chair of the Board and how Members have supported the Board

Neil Chamberlain, previous Independent Chair of the Board, had been part of the formation of the report prior to his resignation in June 2022.

Resolved:

1. That the Annual Report of the Pensions Board 2021-2022 be approved.

9. Risk Register – RED Rated

Julie Felton, Employer Representative, presented the Risk Register that outlined the key risk areas, categorised and scored against their likelihood to occur and the impact that would have.

The Board were advised that, as agreed at the last Board meeting, herself, Paul Gwynn and Alan Tranter met to review the Risk Register and they key risks for discussion from the Board had been highlighted within the Risk Register. The following Risks highlighted were:

- Risk 6 – Paul Gwynn would look at the process for confirming the certificate of existence. Letters would be circulated the later end of the week commencing 19 September to 84 years old +. 74–84-year-olds would be issued a letter prior to the Christmas break.
- Risk 18 – rated 6 due to potential legislation changes
- Risk 19 – rated 6. Annual statements had been issued and 2023 statements would be available online via the Pension Portal.
- Risk 11 – Recruitment – interest in the LGA training opportunities were raised.

In regard to risk 19, Paul Gwynn advised the Board that national talks had been ongoing as statements would be issued in August 2023 but changes to legislation had been expected in October 2023. This would impact on some members statements as some would need to reflect payments that had been received. This had been raised with the regulator. It was agreed that Paul Gwynn and Adam Harper would look into conducting workshops closer to October 2023. It was agreed that Julie, Paul and Alan would continue to monitor the risks highlighted within the Risk Register.

Resolved:

1. That the Risk Register – RED Rated, be approved.

10. New System/Automation of Process

Paul Gwynn provided a verbal update on two new systems, Oracle and Altair. He advised the Board that the issues that arose in the move to Oracle had now been resolved. A self-serve process would be implemented with Altair.

Resolved:

1. That the verbal update on Systems/Automation of Process be noted.

11. Annual Benefits Statements

Paul Gwynn, Pensions Advisor, advised the Board that all Benefit Statements had been issued within the legislative timescales. Moving forward, statements for members would be available online.

Resolved:

1. That the Annual Benefits Statement verbal update be noted.

12. Pension Processing Issues 2021 – August 2022

The Chair of the Board provided an overview of the Pension Processing Issues for 2021-August 2022 and highlighted the following four key issues raised at Audit and Risk Committee on 18 July 2022; PAYE, Aprils Pay Calculations, Data Breach (May Payment) and incorrect figures in communication to members of the scheme.

Paul Gwynn advised the Board that all PAYE/monthly submission had been circulated to HMRC and and submissions to them are now being sent monthly. April's pension payments for affected members had been re-calculated and any arrears had been paid. The data breach had been a result of window envelopes used to circulate payslips that raised concerns from some members. It was confirmed that payslips did not have bank details on them but to rectify this issue, a cover letter would be circulated alongside a reduced content version of the payslip to mitigate any risk. An internal investigation had been conducted and concluded that how the service had reacted had been appropriate. The Information Commissioner's Office was also satisfied that the matter had been handled appropriate and that no further investigation had been required. Any incorrect communication that had been raised with the service had now been rectified.

Following queries on the Independent Review, Tom Embury advised the Board that the investigation would be led by Audit and Risk Committee as the Scheme Manager. The Local Government Association (LGA) had been looked into for conducting the investigation however, it had been felt by the Chair of the Audit and Risk Committee that they had not been a suitable fit. A Terms of Reference had been created and other providers would be looked into.

Resolved:

1. That the verbal update on the Pension Processing Issues for 2021-August 2022 be noted.

13. The Pension Regulator Supervisory Report Update

Tom Embury presented a verbal update on the Pension Regulator Supervisory Report that outlined that covered the period March 2020-March 2021. The Board were advised that the report publication had been delayed due to the COVID pandemic. The report would be presented in its entirety to the Audit and Risk Committee on Monday 26th September. Once presented/approved, Pension Board would have to create an action plan with a timescale of six-months to action the recommendations within the Regulators report.

Given the regulators timescales and the required action plan from the Board it was agreed that an additional meeting be scheduled to take place the end of October time to thoroughly go through the report and develop an action plan to circulate back to the Regulator for sign off.

Resolved:

1. That the Pension Regulator Supervisory Report verbal updated be noted.
2. That it be agreed that an additional meeting be scheduled to take place the end of October time to thoroughly go through the report and develop an action plan to circulate back to the Regulator for sign off.

14. Pension Board Work Programme 2022-2023

Tom Embury provided an overview of the Pension Board Work Programme for 2022-2023 that outlined the planned Pension Board agenda items for the next municipal year.

The Board emphasised the usefulness of the LGA Training, and it was agreed that invites be sent to Board Members for December. Pre-retirement seminars would also be taking place, the first of which scheduled for 1 November 2022. It was planned that four seminars would take place throughout 2023.

Following questions on Member Self-Service, Paul Gwynn advised the Board that no date had been in place but training for his team would take place the beginning of October 2022. Once this had been completed Paul Gwynn would email the Board with an update on timescales.

Adam Harper queried the process required to change the governance process in regard to changing the Scheme Manager from a Committee to a single individual. Councillor Miks advised that for now this had not been up for discussion due to the independent investigation commissioned. Once this investigation had completed and its findings be presented than a discussion may be had to look at the options.

Resolved:

1. That it be agreed that the Pension Board Work Programme 2022-2023 be noted.
2. That it be agreed that invites be sent to Board Members for LGA Training in December 2022.
3. That it be agreed that Paul Gwynn would email the Board with an update on timescales following his team's training in October on the Member Self Service.

15. Date of the next meeting

Resolved:

1. That as per item 13 above, an extraordinary meeting be scheduled prior to the next Pension Board Meeting, scheduled to take place on 08 December 2022.

The Pension Board meeting ended at 15:12hrs.

Pensions Board

Item 3

20 October 2022 at 10:00 hrs by Digital Meeting

Attendance:

Chair: Alan Tranter – Employee Representative

Employer Representatives:

Julie Felton

Kal Shoker

Officers/advisors in attendance:

Cllr Jalil (Vice-Chair of Audit and Risk Committee)

Tom Embury – Deputy Clerk to the Authority

Paul Gwynn – Pensions and Payroll Manager

Kirsty Tuffin – Democratic Services Officer

Employee Representatives:

Adam Harper

Additional attendees:

The Pension Regulator Representatives

1. Apologies

Apologies were received from Kamla Devi-Ahir, PSS representative.

2. The Pension Regulator Supervisory Report – Draft Action Plan

Representative from The Pension Regulator (TPR) provided an overview of the Pension Regulator Supervisory Report, that had been delayed as a result of the pandemic. The Board were advised that the report had been issued as a result of the 2020-2021 TPR supervision review of the West Midlands Fire Service Firefighters Schemes. The report/recommendations therein had covered the period March 2020-March 2021. During the review in 2020-2021, TPR had requested information to gain an understanding, observed a Pension Board meeting and met with Paul Gwynn, Pensions and Payroll Manager. They had been pleased a thorough action plan had been drafted for Pension Boards consideration and advised that there was flexibility with deadline of 11 November for the final plan to be circulated to TPR. It was agreed that the deadline of 11 November was feasible to obtain.

Following queries, Alan Tranter, Chair of the Board, advised the TPR that since the review in 2020-2021, additional concerns had arisen. He advised that the Scheme Manager would be facilitating and Independent Investigation/Enquiry into the key issues. The investigation had been taking longer than desired but it was felt the right person had to be appointed to the role. It was agreed that Tom Embury, Deputy Clerk, would correspond with Cllr Miks, Scheme Manager Representative, upon her return from leave on a potential timeline and Terms of Reference (TOR) to be provided to Board Members. Paul Gwynn disputed the terminology used and advised the TPR that it had been an investigation rather than an enquiry. He advised that the running of the

scheme had not been the issue and the majority of issues around payments had resulted from taxation issues. The Chair of the Board advised that until the TOR had been released, no statements/assumptions could be made. TPR requested an update on the Investigation once the TOR had been agreed.

Tom Embury provided an overview of the draft Action Plan, for members feedback/amendments. The following changes were agreed:

Reference	Action
A	Training analyses to be conducted with Pension Board Members to provide a baseline on who has attended which courses. Pension Board Teams site has potential history/template to be used. To be added as A2.
B1 & B2	Agree to stagger membership end dates.
C	TPR to circulate the Equality, Diversity and Inclusion Guidance published by TPR in September to incorporate.
D1	External notifications to be considered/tested. Consistency = key. Kirsty Tuffin to alert Pension Board via email of the Bulletin being added onto the Pension Board teams site. Suggested to include IT Literate in Job Descriptions to the Board.
E1/E2	Bespoke Pension Board Business Cont. Plan possible option if PB felt necessary.
H	Sub-Group to consider recommendations/ desire to not make over complicated. Follow up outside of meeting. Alan Tranter wished to have it incorporated into Audit and Risk/Corporate Risk updates.
J, K, L & M	Paul Gwynn comments via email to be added. Bulk of work to be completed once new Pension system in place. Follow up outside of meeting.
N1/N2	TPR to circulate information received on KPIs in March 2020 with Pension Board. Possible KPIs to be developed and worked upon by Pension Board outside of the meeting.
O	No relation to letter of Memorandum, based upon accurate data. Upgrade to Uptair to allow Members to update details. Letters to be circulated to members (if delivery is bounded will investigate). to be included within the plan.
P	Paul's wording via email to be added.
Q2	FRA Bulletin strategy template to be updated by Pension Board with Scheme Manager input. To be endorsed/published externally.

Following discussions, it was agreed that a report to be drafted for Audit and Risk Committee in November on behalf of Pension Board to request an interim Independent Chair. Tom Embury would discuss this with Cllr Miks upon her return from leave. It was agreed that Tom Embury, Julie Felton Employee Representative & Kirsty Tuffin, Democratic Services Officer, would meet to discuss an approach to be taken on correspondence/documents issued to Pension Board to ensure consistency.

Following discussions on a potential bespoke Business Continuity Plan, it was agreed that Paul Gwynn would share the current Business Continuity Plans at the Pension Board meeting in December. Pension Board were happy to contribute to the existing plan or look into the option of a bespoke plan if it was required. Incorporating Local Government Association (LGA) training into December meeting was requested. It was agreed Paul Gwynn to arrange/discuss with the LGA. Training on the new Uptair system had been underway and it was agreed that an update to be given on time

frames for the Uptair new system / implementation be provided in Decembers Pension Board meeting by Paul Gwynn.

Following discussions on ref. J, K, L and M, Paul Gwynn advised the Board that he did not wish for Data Governance to be involved in the process due to difference of opinions on data protection legislation. Alan Tranter expressed the need for Martina Doolan, Data Governance Manager, to be involved to ensure a robust system had been in place in which Paul Gwynn disagreed as it was felt that paper copies had been more secure. It was agreed that an agreement on this matter would be sought outside of the meeting. It was agreed that an update would be provided on the status of E2 in March due to the impact of remedy and the potential publication of legislation in October 22. It was agreed that Tom Embury circulate information/invite to the Pension Schemes AGM taking place next week to Kamla Devi-Ahir, as a development opportunity.

Alan Tranter, expressed concerns that the independent investigation, could impact on the proposed action plan. He advised there had been unrest with membership and Paul Gwynn had been subject to criticism given his position. He was re-assured to hear 2 new members of staff would be employed by the Pension Board team as he felt not all the blame had been Paul/his team but a wider organisation failing. Tom Embury re-assured members that although the action plan would be signed off, additions could still be made following the review that would hopefully rectify some of the issues highlighted.

Resolved:

1. That the Pension Regulator Supervisory Report – Draft Action Plan be noted.
2. That it be agreed that the changes outlined, as per table, to the action plan be approved.
3. That it be agreed that Tom Embury, Deputy Clerk, would correspond with Cllr Miks, Scheme Manager Representative, upon her return from leave on a potential timeline and Terms of Reference to be provided to Board Members.
4. That it be agreed that a report be drafted for Audit and Risk Committee in November on behalf of Pension Board to request an interim Independent Chair. Tom Embury would discuss this with Cllr Miks upon her return from leave.
5. That it be agreed that Tom Embury, Julie Felton Employee Representative & Kirsty Tuffin, Democratic Services Officer, would meet to discuss an approach to be taken on correspondence/documents issued to Pension Board to ensure consistency.
6. That it be agreed that Paul Gwynn would share the current Business Continuity Plans at the Pension Board meeting in December.
7. That it be agreed that Paul Gwynn to arrange/discuss training for Decembers meeting with the LGA.
8. That it be agreed that an update to be given on time frames for the Uptair new system / implementation be provided in Decembers Pension Board meeting by Paul Gwynn.
9. That it be agreed that an agreement on the involvement of Data Management be sought outside of the meeting.
10. That it be agreed that an update would be provided on the status of E2 in March due to the impact of remedy and the potential publication of legislation in October 22.

11. That it be agreed that Tom Embury circulate information/invite to the Pension Schemes AGM taking place next week to Kamla Devi-Ahir, as a development opportunity.

3. Date of the next meeting

Resolved:

1. That the next Pension Board Meeting, scheduled to take place on 08 December 2022, be noted.

The Pension Board meeting ended at 11:38hrs.

WEST MIDLANDS FIRE AND RESCUE AUTHORITY ^{Item 4}

PENSION BOARD

8th December 2022

PENSION SECTION SUPPORTING INFORMATION

1. WEST MIDLANDS FIRE SERVICE FIREFIGHTERS' PENSION SCHEMES MEMBERSHIP AS AT 30 NOVEMBER 2022

Active Firefighters	1,379
2015 scheme members	1,263
Non-members	116 (8.5%)
Pensioners	2,199
Dependants	416

The percentage of non-members is reasonably high, being approximately 1 in 11 or 12. The Pension Board may wish to consider reporting this to the Scheme Manager and providing suggestions as to an appropriate course of action to increase membership levels.

2. ANNUAL ACTIVITY LEVELS

- 2.1 During the current financial year the following levels of activity have been experienced:

Age Related Retirements	43
Ill Health Retirements	1
Opt outs	17
New joiners	71
Applications to transfer in/out	13

Opt out levels appear high as the service undertook Auto-Enrolment in August this year.

- 2.2 The section has also processed the requests shown in the table below and achieved the levels of performance shown.

Request type	Received	Average Response time in days
Benefit Estimate	15	39
CETV for Divorce	8	14
General Information	5	22

The number of requests recorded in the above categories remains low. The requests recorded are only those where a response is required within a given timeframe outlined within the disclosure regulations. The Pension Board should be aware that a large number of enquiries were received earlier in the year for various pieces of information not covered by the regulations. A lot of the enquiries were identical and we believe that members were encouraged to submit them by a single individual, with the intention of causing difficulties for the section. This matter will be raised direct with the Scheme Manager at the next opportunity and the Pension Board are asked to consider whether they need to report the action as well.

3. **INTERNAL DISPUTE RESOLUTION PROCEDURE (IDRP)**

The Scheme Administrator is not involved in the administration of the Internal Dispute Procedure and as such statistics for this area are not available. Should the Pension Board wish these to be reported they should request the from the relevant section.

4. **Ill Health and Injury Pensioners**

Reviews of Ill Health and Injury pensioners should be being carried out on a regular basis. The scheme administrator provided data to the People Support Service regarding pensioners due cannot confirm that these reviews are now being carried out. The Pension Board may wish to review the process by which these reviews are made to ensure that they are taking place.

5. **McCloud Judgement – Update**

In line with the agreement made with the Scheme Manager Category 2 members are now being contacted and offered remedy in line with the above judgement.

As at the 30th November 2022 13 members remain to be contacted of which 4 are Memorandum of Understanding applicants. The service remains on target to have notified all remaining members in line with the agreed deadlines.

6. **KPI's**

The above information is presented in line with the standard KPI's previously reported. The Pension Board are asked to confirm that they are happy with the number and focus of the indicators provided. Should the Pension Board feel that additional information is required they are asked to provide the Scheme Manager with a report indicating the information that they feel is necessary for them to efficiently perform their function.

7. **System updates**

7.1 ALTAIR Member self service

Contact is due to be made with the system supplier to move this forward to the next stage, once it has been confirmed that User Acceptance Training has been completed satisfactorily.

7.2 ORACLE Fusion

10 Members have been contacted asking if they wish to take part in the trial. Only 3 responses have been received. A follow up email will now be sent.

8. **Certificate of existence**

Certificates of existence were issued to all pensioners over the age of 85 during September. These were due for return at the end of November. At this date 13 certificates remain unreturned. These members will be notified that as we have not had a return their benefits will be suspended from 1st January.

9. **Other areas of note**

The following areas are currently under development and in some cases subject to public consultation. The Pension Board may wish to consider whether they wish to respond to these consultations or otherwise provide updates to the Scheme Manager.

A) TpR single code of practice

A copy of the draft code can be found at this link.

<https://www.thepensionsregulator.gov.uk/-/media/thepensionsregulator/files/import/pdf/full-draft-new-code-of-practice.ashx>

B) Pension Dashboards

The dashboard programme website is here.

<https://www.pensionsdashboardsprogramme.org.uk/>

The programme launched it's latest consultation on 1st December. The Pension Board may wish to consider providing a response to this consultation.

C) Strike Action by FBU members

The FBU are currently balloting on strike action by their members. If taken this will have an impact on their pension benefits. The Pension Administration team will be working with the service and the representative bodies on communication regarding this.

Paul Gwynn
Payroll and Pensions Manager

West Midlands Fire Service Pension Board Risk Register
Updated 7th September 2022

Next review due: 19th October 2022. 6 weekly review of 'red' risks and 6 monthly Risk Register Review meeting

Meeting scheduled for 19th October 2022 did not take place. Next review date - 29th November 2022 **

Risk Area - OPERATIONS	Likelihood	Impact	Score	Change from previous review	Control	Owner	Assigned to	Test/Review	Mitigation	Comments
1. Operational disaster (i.e. flood/fire)	1	4	4	↔	Pension records stored electronically via a server and not yet on the cloud. Data backed up regularly	Pension Provider (may be Scheme Manager)	Pensions Manager	Annual		Business continuity and safety/security of records are part of the role of the pension administration provider.
2. Member data incomplete or inaccurate	3	3	9	↔	Annual reconciliation of member data to ensure accuracy and resolve any gaps	Scheme Manager	Pensions Manager	Annual	Data to be checked as part of the annual ToR return. Results will be reported to the Pension Board	Currently, checks are completed in preparation for annual returns. <u>Meeting 30/3/2021.</u> Risk to be reviewed over next 6 months. Impact may need to increase due it being reportable. Agreed 'Impact' adjusted to 3.
					Address data cleanse completed annually	Pension Provider	Pensions Manager	Annual	Incorrect addresses investigated using a tracing agency	
					Robust payroll processes in place	Scheme Manager	Pensions Manager	Annual	To ensure accuracy of data sent to pension section	
3.a Administration Failure/Mal-administration	3	2	6	↔	All staff in Payroll and Pensions section are managed through organisational policies and process	Scheme Manager	Pensions Manager	Quarterly	Internal procedures are reviewed and audited annually as part of the normal audit cycle.	
3b.					Authority levels, financial controls and process within Oracle Fusion.	Scheme Manager/Provider		Annual	Forms part of the annual review of the Pay Policy statement.	28/3/2022. Agreed risk remains in register with wording updated to reflect controls within Oracle Fusion.
3c.					Review audit reports	Scheme Manager	Pensions Manager	Annual	Normal monthly payroll processing arrangements cover this issue.	
4. Computer system failure at pay date	1	4	4	↔	Pay the previous month pension from the file with adjustments for death or part period payments. If notification that system will not be available or when upgrade is going through at compliance date. Trial pay run can be used as actual if testing fails	Scheme Manager	Pensions Manager	Annual	Covered within the services Business Continuity Plan	

5. Failure to process BACS	2	4	8	↔	Internal process for ensuring that BACS has been sent.	Pension Provider	Pensions Manager	Annual	Controlled by the normal processing procedures and reviewed annually by Internal Audit	14/03/2021. BACS system to be run in-house wef end March 2022. Intention to reduce risk to 4 if all goes well
6. Payment made to ineligible pensioner	3	3	9	↑	Annual certificate of identity process in place.	Pension Provider	Pensions Manager	Annual	Risk has been raised with SET Finance and Resources and new procedure to be implemented from October 2021	14/3/2022. Increase in likelihood and impact from 1 and 1. Work not yet complete. 7/9/2022 . Paul will provide an update at Pension Board meeting on 20th September 2022.
7. Fraud in Payroll office.	1	2	2	↓	Reconciliation with report from payroll system and excel spreadsheet balance each month	Strategic Enabler - Resources	Pensions Manager	Annual	Part of the services Financial controls. Subject to annual review by Internal Audit.	
8. Insufficient resource to enable function to meet requirements of Pension Regulator	2	2	4	↔	Structure and staffing of function under review	Strategic Enabler - Resources	Pensions Manager	As and when regulator requirements change	Issues reviewed by SET Finance and Resources as part of monthly meeting with Payroll and Pensions Manager and internal KPI's	14/3/2022 currently stable - review in hand.
9. Failure to produce Annual Benefit Statement	1	3	3	↔	Report to TPR. Keep scheme members and pension board informed of issue.	Scheme Manager	Pensions Manager	May - annually	Progress reported by Payroll and Pensions Manager to Employer Rep and monitored by board at regular intervals as agreed at first meeting of each year.	14/3/2022. New system will reduce risk, with online delivery through a portal. 21/6/2022 - Review in 6 weeks - potential to increase. 7/9/2022 . Meeting scheduled for 21/6/2022 did not take place - will be raised for discussion at Pension Board meeting on 20/9/2022.
11. Application of remedy (McLoud)	4	4	16	↑	Data, Governance, People and Systems	Scheme Manager	Pensions Manager	Ongoing	Ensure requisite numbers of skilled staff are available and that IT systems have been updated.	14/3/2022. Move to amber - length of time for application of remedy. October 2023 is date - delivery may be an issue. Move to 4 x 4. Discussion at Pension Board in October 2023. Audit and Risk requesting update each time they meet. 4/3/2022. Conversations ongoing to put resources in place. SET fully aware of issue. 21/6/2022. Risk reviewed. Recent decision at Audit and Risk may heighten. Review in 6 weeks. 7/9/2022 . Meeting scheduled for 21/6/2022 did not take place - will be raised for discussion at Pension Board meeting on 20/9/2022. 2 x members of staff recruited with aim that by February 2023 those owed money will have been written to with an offer. Discussions to take place in October/November 2022 re progress.
14. Costs incurred due to failure to apply scheme/tax rules correctly or in a timely manner	1	3	3	↔	Keep up to date with changes. Attend regional meetings. Subscribe to knowledge hub. Subscribe to HMRC pension tax updates. pension board involvement. Access professional advice before proceeding.	Strategic Enabler - Resources (151 Officer)	Pensions Manager		Annual Audit	

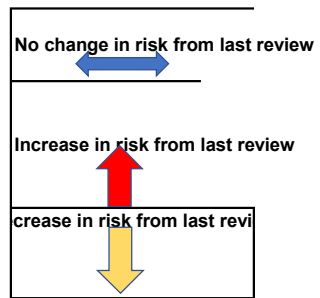
17. Failure to manage FPS fund correctly i.e. injury pension accounting	1	2	2	↔	Training – Guidance Fire Finance network links	Strategic Enabler - Resources (151 Officer)	Finance		Annual Audit	
18. Failure to interpret rules or legislation correctly	3	2	6	↑	Central LGA resource and regional / national groups to assist with interpretation of rules and possible provision of legal opinion where this has been sought – with the caveat that each FRA should take own legal advice. Technical team of pension provider. Access to knowledge hub and HMRC pension tax updates. Training. Access professional legal/tax advice where necessary	Scheme Manager		Monthly management meeting between Payroll and Pensions Manager and SET Finance and Resources. Annual Audit	14/3/2022. Likelihood increase from 2 to 3 due to amount of legislation changes and their interpretation. 7/9/2022 as 14/3/2022	
19. Failure to comply with disclosure requirements or communicate with staff	3	2	6	↑	Internal Dispute Resolution Procedure (IDRP) Communications with staff Annual Benefit Statements (ABS) HR processes in place for auto-enrolment and annual pension band changes mail merges	Scheme Manager	Pensions Manager		Reports to Pension Board. Risk	14/3/2022. Likelihood increase from 2 to 3 (linked to 18). 7/9/022 . ABS sent within timescale - 2023 available via a portal.
20. Pension Board Resourcing/Succession Planning. Added 14/3/2022	4	3	12	↑	Discussion point at meeting on 28th March 2022. Employer (WBS) and employee (ER) positions to be filled.	Clerk to the Authority	Chair	As and when identified		14/3/2022. Meeting on 28th March 2022 will be the second time this position has not been represented. 3/5/2022. Suggest impact rises to 4 = impact of 16. Board lacking knowledge and skill set of previous position holder (legislation) over the years. 7/9/2022 . Letters/emails to be sent 12th September, ballot closing date 10th October 2022. Employee rep - TBC
21. Application of remedy (O'Brien). Added 14/3/2022	4	2	8	↑	Discussion point at meeting on 28th March 2022	Scheme Manager	Pensions Manager	Ongoing	Ensure requisite numbers of skilled staff are available and that IT systems have been updated.	03/05/2022. Scoring based on potential number impacted (approx 25), considering impact of McCloud

Legend

Risk Score 1 - 4

Risk Score 5 - 9

Risk Score 10 -16



The Pensions Regulator Supervisory Report to the West Midlands Firefighters' Pension Scheme Manager and Pension Board

Recommendations – Action Plan

Ref	Date	Subject	Action	Responsible	Completion date / Suggested timeframe	Status [Ongoing / Completed]
A1	11/11	Skills and Training	Pension Board (PB) and Scheme Manager (SM) to undertake Training Needs Analysis to set a baseline for development of future training plans. Previous templates exist that can be used.	Pension Board Chair and Scheme Manager	Undertaken by January 2023	Ongoing
A2	11/11	Pension Board Training and skills	PB to formalise their training plan, to be reviewed at least yearly, which will cover emerging themes, such as cyber security. This will be published on a joint Pension Board filing system/Teams site (see Recommendation D1) to ensure all PB member can review as required and bring forward suggestions for training and development.	Pension Board Chair	Implemented by February 2023	Ongoing
B1	11/11	Pension Board Succession	Clerk and PSS to develop a succession plan for both Scheme Member and Employer representatives, including undertaking a revision of role descriptions. This will include a proposal for hand-over between departing representatives and their replacements.	Clerk and PSS supported by Pension Board	Implemented by March 2023	Ongoing
B2	11/11	Pension Board Succession	PB and SM to review Terms of Reference with regards to representative tenures to ensure these are staggered and include a suitable handover period.	Pension Board Chair and Scheme Manager	Implemented by February 2023	Ongoing

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C	11/11	Pension Board Composition	Review appointment/election communications for Pension Board representatives to ensure they encourage diversity amongst the Pension Board membership and encourage the widest possible number and range of candidates to apply. TPR Equality, Diversity and Inclusion guidance to be utilised.	PSS/Pension Board/Portfolio Team	Implemented by January 2023	Ongoing
D1	11/11	Pension Board Information Sharing	Review communications to Pensions Board and Scheme manager and ensure updates are provided when required.	Portfolio and Administration Teams	Implemented by February 2023	Ongoing
D2	11/11	Pension Board Information Sharing	Pension Board members to review information sharing arrangements and PB representatives' views on information sharing, knowledge and skills, with input from Scheme Manager.	Pension Board and Scheme Manager	Held at March 2023 Pension Board meeting, with report into Audit and Risk Committee in March 2023	Ongoing
E1	11/11	Business Continuity Planning	Pensions Board to receive a report on current BCP arrangements and testing and review their effectiveness with a view to making recommendations to Scheme Manager on whether a bespoke BCP outside existing WMFS arrangements is necessary.	Pensions Board Chair and Pensions Manager	Update to December Pensions Board Meeting, report to Scheme Manager at March 2023 Audit and Risk Committee meeting	Ongoing
E2	11/11	Business Continuity Planning	Pension Administration Team to develop and share with the Scheme Manager and Pension Board a set of procedural notes for key pensions administration tasks. Content may be impacted by implementation of remedy.	Pensions Administration Team	Update to March 2023 Audit and Risk Committee Meeting – subject to Remedy roll out.	Ongoing

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F	11/11	Information Sharing between SM, PB and Pension Administration Team	Written (rather than verbal) reports to be provided by the Pension Team on key issues to both the Pension Board and Scheme Manager as a standing item for all meetings.	Pensions Administration Team	To begin from March 2023 Audit and Risk Committee	Ongoing
G	11/11	Conflicts of Interest	Conflict of Interest Register, based on the TPR template, to be created and stored on system where all PB members have access. Will be a standing item for all PB meetings. This document to be shared with The Pension Regulator.	Portfolio Team and Pensions Board	To begin from implementation of new system as of February 2023	Ongoing
H1	11/11	Risk Management	<p>PB Risk Register Sub Group to consider TPR recommended changes or improvement in formatting of the Risk Register:</p> <ul style="list-style-type: none"> • utilising a cover sheet to provide a snapshot of the current risks, helping to clearly identify the current major risk(s) to the Scheme. The Scheme may wish to identify emerging risks in this location as well. • ensuring all risks have mitigating actions and owners • documenting closed risks <p>Incorporate relevant WMFS Corporate Risks within the PB Risk Register, to include Cyber Security (CR 7.3).</p>	Pensions Board RR sub group	Completed by January 2023	Ongoing
H2	11/11	Risk Management	PB Risk Register to be incorporated into Audit and Risk Committee risk updates.	Scheme Manager	To begin from March 2023 A&R Meeting	Ongoing
I	11/11	Digitisation of records	All records to be digitised and accessible to support data collection.	Pensions Manager supported by Data and Governance Team	Completed	Completed

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J	11/11	Data Improvement policy	Pensions Team to work with Data and Governance team on ensuring a Data Improvement Policy is in place for Pensions Data, either drawing on existing policy or developing a new policy if required. To be taken forward following roll out of ALTAIR update.	Pensions Administration Team & Data and Governance Team	Completed following implementation of new Altair system March 2023	Ongoing
K	11/11	Data Improvement Plan	Pensions Team, drawing on the Annual Data Review (Action L) to develop a Data Improvement Plan for any areas where data scores are not complete. This to be reported to both Scheme Manager and Pension Board, and shared with TPR. To be taken forward following roll out of ALTAIR update.	Pensions Administration Team	Following completion of Annual Data Review	Ongoing
L	11/11	Annual data review	Pensions Team to undertake a pension data review, to assess the accuracy and completeness of member data, to be reported to the Pension Board and Scheme Manager.	Pensions Administration Team	Completed by March 2023	Ongoing
M	11/11	Recording data scores	Pensions administration team to record common and scheme specific data scores gathered as part of the Annual Data review (Action L) in Exchange as part of annual return to The Pension Regulator.	Pensions Administration Team	Completed by March 2023	Ongoing
N1	11/11	Review of KPIs	Scheme Manager to inform Pensions Board which KPIs it wishes to have developed and to receive regular updates on. PB to develop and agree with Pensions Team, and utilise a traffic light system (RAG).	Scheme Manager, Pensions Board Chair and Pensions Administration Team	Completed by February 2023	Ongoing
N2	11/11	Supporting narrative to KPs	All Key Performance Indicators (provided with RAG rating) to be accompanied by appropriately detailed written narrative (which may be provided alongside a verbal	Pensions Administration Team	Completed by March 2023	Ongoing

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			update). This narrative to be provided to both the Scheme Manager and the Pension Board			
O	11/11	Documentation of Data validation procedures	Upgrade to ALTAIR information system will allow Scheme Members to update their own contact details. All members to be contacted by post to inform them of new system, with further investigation of failed deliveries. Update to be given on time frames for the new system / implementation to PB in December by Pension Team.	Pensions Administration Team	Update in December 2022, Completed by March 2023	Ongoing
P	11/11	Pension Process Automation	Pensions Team to provide a report to the Scheme Manager on automation and systems improvements achieved by implementation of ALTAIR system once in place.	Pensions administration team	Completed by March 2023	Ongoing
Q1	11/11	Administrative Task Timescales	Pensions Team to provide a report to the Scheme Manager setting out the expected task timescales (e.g., responses to queries), which will also be shared with Pension Board.	Pensions administration team	Completed by March 2023	Ongoing
Q2	11/11	Firefighter Pensions SAB Pensions Administration Strategy	Pensions Board to utilise FPS Administration, Management, and Governance Strategy template to create single documentation of roles and services standards. Document to be agreed by Scheme Manager and published on the WMFRA CMIS site.	Scheme Manager, Pension Board, Pension Team, Portfolio Team	Completed by March 2023	Ongoing

WEST MIDLANDS FIRE AND RESCUE AUTHORITY
Pension Board
Work Programme 2022-2023

Date of Meeting	Item	Responsible Officer	Completed
2022			
28 March 2022	Minutes of Pension Board – 10 December 2021	Democratic Services Officer	28 March 2022
	Chairs Introductions	Chair, Pensions Board	28 March 2022
	Pension Board - Terms of Reference	Democratic Services Officer	28 March 2022
	Verbal Update on the Annual Report of the Pension Board 2021-2022 – Draft	Chair, Pensions Board	28 March 2022
	Risk Register Update (Annual Review)	Julie Felton	28 March 2022
	Recruitment – Verbal Update	Paul Gwynn	28 March 2022
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	28 March 2022
	Pension Board Work Programme 2022-2023	Democratic Services Officer	28 March 2022
	Date of next Pension Board Meeting	Democratic Services Officer	28 March 2022

10 June 2022	Chairs Introductions	Chair, Pensions Board	20 September 2022
	Annual Benefit Statements Update	Paul Gwynn	
	Annual Report of the Pension Board 2021-2022 – Final	Chair, Pensions Board	
	Risk Register Update (Red RAG rated items)	Julie Felton	
	Recruitment Update	PSS replacement	
	New System/Automation of Process	Kal Shoker	
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	
	Technical Updates	TBC	Deferred - TBC
	Board Training Requirements	TBC	Deferred - TBC
	Review of the Pension Board Terms of Reference	Democratic Services Officer	Deferred to March 2023
	Update on Topical, Legal and Regulatory Issues	Kal Shoker/ PSS replacement	8 December 2022
	Minutes of Pension Board – 28 March	Democratic Services Officer	20 September 2022
	Pension Board Work Programme 2022-2023	Democratic Services Officer	20 September 2022

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20 September 2022	Chairs Introductions	Chair, Pensions Board	20 September 2022
	Annual Benefit Statements Update	Paul Gwynn	20 September 2022
	Review of the Pension Board Terms of Reference	Democratic Services Officer	Deferred – March 2023
	Risk Register Update (6 Monthly Review)	Julie Felton	8 December 2022
	Annual LGA Training?	PSS replacement	Deferred - TBC
	Update on Topical, Legal and Regulatory Issues	Kal Shoker/ PSS replacement	8 December 2022
	New System/Automation of Process	Kal Shoker/Paul Gwynn	20 September 2022
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	20 September 2022
	Technical Updates	TBC	Deferred - TBC
	Board Training Requirements	TBC	Deferred - TBC
	Minutes of Pension Board – 10 June 2022	Democratic Services Officer	20 September 2022
	Pension Board Work Programme 2022-2023	Democratic Services Officer	20 September 2022
	Pension Processing Issues 2021-August 2022	Paul Gwynn	20 September 2022
	The Pension Regulator Supervisory Report Update	Deputy Clerk	20 September 2022

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8 December 2022	Chairs Introductions	Chair, Pensions Board	N/A
	Update on Topical, Legal and Regulatory Issues	Kal Shoker/ PSS replacement	8 December 2022
	Risk Register Update (Red RAG rated items)	Julie Felton	8 December 2022
	Board Training Update	Democratic Services Officer	8 December 2022
	Recruitment Update	Deputy Clerk	8 December 2022
	New System/Automation of Process	Kal Shoker	8 December 2022
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	8 December 2022
	Business Continuity Plan	Paul Gwynn	8 December 2022
	Technical Updates	TBC	Deferred – TBC
	Minutes of Pension Board – 20 September	Democratic Services Officer	8 December 2022
	The Pension Regulator Supervisory Report – Action Plan	Deputy Clerk	8 December 2022
	External Communications Update	Senior Communications Manager	8 December 2022
	Pension Board Work Programme 2022-2023	Democratic Services Officer	8 December 2022

2023			
March 2023 – TBC	Annual Report of the Pension Board 2022-2023 – Draft	Chair, Pensions Board	
	Risk Register Update (Annual Review)	Julie Felton	
	Update on Topical, Legal and Regulatory Issues	Kal Shoker/ PSS replacement	
	New System/Automation of Process	Kal Shoker	
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	
	Technical Updates	TBC	
	Board Training – LGA	LGA/DSO	
	The Pension Regulator Supervisory Report – Action Plan	Deputy Clerk	
	Review of the Pension Board Terms of Reference	Democratic Services Officer	
	Minutes of Pension Board – 8 December 2022	Democratic Services Officer	
	Pension Board Work Programme 2022-2023	Democratic Services Officer	

June 2023 – TBC	Annual Report of the Pension Board 2022-2023 – Final	Chair, Pensions Board	
	Risk Register Update (Red RAG rated items)	Julie Felton	
	Annual Benefit Statements	Paul Gwynn	
	Update on Topical, Legal and Regulatory Issues	Kal Shoker/ PSS replacement	
	New System/Automation of Process	Kal Shoker	
	Business as Usual Performance Reports/Improvements	Chair, Pensions Board/Paul Gwynn	
	Technical Updates	TBC	
	The Pension Regulator Supervisory Report – Action Plan	Deputy Clerk	
	Board Training Requirements	TBC	
	Review of the Pension Board Terms of Reference	Democratic Services Officer	
	Minutes of Pension Board – TBC	Democratic Services Officer	
	Pension Board Work Programme 2022-2023	Democratic Services Officer	