West Midlands Fire and Rescue Authority

Pension Board

**You are summoned to attend the meeting of Pension Board to be held on
Thursday, 07 March 2024 at 11:00**

at Digital via Teams,

for the purpose of transacting the following business:

Agenda – Public

11   Any other business
      Discussion of any other business not on the agenda.

12   Date of next meeting and nomination of Chair
      To agree the date of the next Pension Board meeting and appoint
      the Chair for that meeting.

Distribution:

Julie Felton - Employer Representative, Alex Daw - Scheme Member Representative, Sofia Mahmood – Employer Representative, Alan Tranter – Scheme Member Representative, Kamla Devi-Ahir - Employer Representative, Paul Bennett - Scheme Member Representative.

Clerk Name:	Tom Embury
Clerk Telephone:	
Clerk Email:	tom.embury@wmfs.net

Agenda prepared by Chandni Patel

Portfolio Team, West Midlands Fire Service

Tel: 0121 380 6906 email: Chandni.Patel@wmfs.net

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

WEST MIDLANDS FIRE AND RESCUE AUTHORITY
PENSION BOARD

11 January 2023 at 11:00 hrs
Conducted digitally via Microsoft Teams

Attendance:

Chair: Julie Felton, Employer Representative representing on behalf of Sofia Mahmood.

Employer Representatives:	**Employee Representatives:**
Julie Felton	Alan Tranter
Sarah Powell	Paul Bennett
	Alex Daw

Officers and advisors in attendance:

Kelly Harding – Head of People Support, Tom Embury – Policy Advisor, Chandni Patel – Democratic Services Officer

1. To receive apologies for absence

- Richard Stanton
- Kamla Devi-Ahir
- Sofia Mahmood

2. Declarations of Interests

No declarations of interest were submitted.

3. Minutes of the Previous Pension Board held on 02 November 2023

Resolved.
1. **That the minutes of the Pension Board held on 02 November 2023 be approved as a correct record of proceedings.**

4. Matters Arising

None were submitted in advance.
Alan Tranter, Employee representative advised going forward that no verbal reports are presented. All reports are to be provided within the agenda.

5. Action Plan- January 2024

Tom Embury provided an overview/update on the action plan. All the items in green have been completed.

Reference	Update
E2	Comfortable with Progress being made. Delivery timeline to be updated.
P	Meeting to be held to understand priorities. Tom Embury is to support communication with members.
4,7,9	To remove Julie Felton's name and replace with the Role
1	Tom Embury to follow up with Sofia Mahmood and Kamla Ahir-Devi to confirm the number of completed modules.

Regarding Item M, Data scores; we are currently looking to understand who will have access moving forward.

There was some delay in getting additional support. We are getting the exact figures for each of the scheme members.

Regarding item P, the Pensions Team is to provide a report to the Scheme Manager on automation and systems improvements achieved by the implementation of ALTAIR and ORACLE systems system once in place. Roll out for this is May 2024 although the delivery of this may be impacted due to staffing issues.

Resolved

1. **A meeting to be held with the pension team to understand their priorities. Tom Embury is to support communication with members.**

Regarding Item 2, members Opt-out, there is a desire to communicate to existing employees to encourage them to remain or join the scheme.

Alan Tranter, reiterated the importance of new joiners having the understanding and information they need to make their decision.

Note: Kelly Harding joined the meeting at 11.20am

Regarding item 4, updating date records, feedback suggests retired members are more confident in terms of the overall quality of information.

Following queries regarding actions 2 and 4, Julie Felton, employer representative advised that the deferred statements have been sent. It was also suggested to remove Julie Felton's name to replace it with just the Job title.

Resolved.

1. **To remove Julie Felton's name and replace it with just the Job title on the relevant actions.**

Regarding Action 1, Training and & Development, members have put forward suggestions for training and development to be added to Pension Board training plan.

Alan Tranter advised that it may be beneficial to obtain confirmation from individuals who have recently joined to see if they have completed the modules.

Julie Felton suggested adding a date of completion to ensure they are completed before the next meeting.

Resolved

1. **Tom Embury to follow up with Sofia Mahmood and Kamla Ahir-Devi to confirm the number of completed modules.**

Regarding action 3,7,9; Administration, the issue with transferring actions to Microsoft Planner was access for non-staff members. Tom Embury suggested we continue using the current method as everyone currently has access.

Julie Felton suggested using Excel spreadsheet as it may be easier to navigate between actions.

Regarding items 7, Performance Metric there are specific KPIs that we want to add as the existing KPIs are not providing the required information.

Regarding communication, there is now a section on the pension's webpage. Further details to be provided in Item 11

6. <u>Risk Register</u>

Julie Felton advised that the Risk Register was updated when the business case went to JCC. All but 3 have been escalated to the highest risk.

A meeting has been scheduled for the following week to review the risks highlighted in Red.

Following concerns, Julie Felton advised that her replacement is yet to be decided. The post is going to be advertised this week, however the post for employer representative within Pensions board will need to be discussed.

Kelly Harding advised that the Scheme manager will need to think about the role of the employer representative. We will require someone who knows the administrative side of the role but also someone who will actively engage with the running of the relevant boards.

Resolved.

1. **Kelly Harding to discuss with the relevant individuals the criteria of the Employer Representative role. (To replace Julie Felton)**

7. Risk Register- Proposed Changes

To be discussed after Item 12.

8. Pension Administration Update Report

Kelly Harding acknowledged that following the exit of 2 members of the team the pensions team have gone through changes and are doing their best to ensure people's needs are met.

Kelly Harding presented the development/mitigation plan and discussed priorities over the next year.

Recruitment of the payroll and pensions manager is of high priority. There are a number of applicants who are looking to apply or have applied. The development of the assessment process is currently being worked on. A temporary pension manager (Keeren Nijjar) has been selected for the role.

Short-term administrative roles are also being reviewed. Initial discussions are being had with the head of finance. This could be an opportunity for someone in finance with transferable skills to support capacity. The recruitment of a pension practitioner role is also going to be reviewed.

Those who are leaving the organisation have also been identified and new methods are being put in place to ensure there is no significant impact.

Kelly Harding provided details on the Priority matters. These items are

1. Firefighters Pension scheme- The pension regulator data return
2. HMRC report (Annual Allowance Statements and Lifetime Allowance
3. Terms of Reference
4. GAD Audit

5. Widower/Transfer Cases
6. Annual Uplift to pensions
7. RSS Statements & Immediate detriment reviews
8. LGPS Processing
9. Treasury Evaluation Order for 2021 & 2022

Alan Tranter advised once the relevant information is published regarding the pension uplift, we will need to communicate that to the members.

Resolved.

1. **It was agreed that this would be added to the action plan and Kelly Harding to add it to the mitigation plan.**

Julie Felton acknowledged that Pension Board recognises the ongoing hard work and difficulties experienced by the Pensions and Payroll department.

Sarah Powell thanked members for their comments and support.

Regarding reporting dates for HMRC, Kelly Harding advised there are penalties for missing them, however will be making sure they are not missed.

A meeting has been scheduled with TPR to keep them informed. We are confident we will meet the TPR data return however we will need to communicate the challenges we are having and any potential risks.

9. Pension Administration Business Case Withdrawal

A number of active and retired scheme members supported us by contributing to a review in Summer 2023 into the pensions administration function. This led to the development of a business case to consider the potential outsourcing of the function in October 2023, which began internal consultation with trade unions and those impacted by the potential change.

Following three months of consultation, the decision was taken to withdraw the business case at the Joint Consultative Committee held last week on 10 January.

Kelly Harding thanked Tom Embury for his role during the consultation process.

10. IDRP Update January 2024

Tom Embury advised we have received an escalation of a previous Stage 1 IDRP to now Stage 2. This is linked to a case where an individual had taken external financial advice. If this is taken forward, this will be taken to the ASA Committee (Appointments, Standards and Appeals) where a decision will be made.

As agreed in the previous Pension Board meeting, more information is provided on how the decision-making is undertaken.

11. Communications Update Jan 2024

Tom Embury presented the report and provided an update on communications.

Information regarding the pension uplift would be an example of an item that we would communicate more widely.

The general pensions administration update was sent out via mail, email and uploaded onto Mesh. Based on feedback, we will be looking to communicate further details of McCloud Remedy process highlighting the complexity and explaining reasons for long timetables.

The outcome of the JCC meeting which took place on the 10th January 2024 will also be communicated.

Alan Tranter advised adding information regarding the Uplift to the communication to be sent out.

Resolved

1. **Tom Embury to ensure information regarding the uplift be added to the relevant communication.**

Alex Daw suggested having some form of communication to ensure individuals know where to access information.

Resolved.

1. **Tom Embury to speak to Corporate Comms about adding to Social Media/Emails of where individuals can access relevant information regarding specific issues regarding their pension.**

Alan Tranter advised there should be communication that clarifies the difference between state pension uplift and private pension scheme uplifts. This should also include any information on tax deductions due to this.

Sarah Powell advised that individuals receive the money within their bank account before they receive the payslips.

Resolved.

1. **Tom Embury and Keeren Nijjar to ensure information is provided to individuals to answer common questions. understand processes.**

12. Pension Update Record

Tom Embury advised this report is an update we received from the LGA advisory report.

As per the report, Immediate Choice Remediable Service Statements are being considered as part of the wider service and will be developed.

We have a small number of Matthews Cases as it refers to retained firefighters. As per the report we are ensuring that they have the most up to date version of the calculator when they update the spreadsheet at the beginning of the month to allow for the latest interest rates.

Event Reporting - Annual Allowance Statements & Lifetime allowance are in the mitigation plan.

Age Discrimination Remedy - Contingent Decisions guidance. As per the report the Scheme managers are to read the guidance and mutually agree any setting of target dates with their administrator before sharing the claim process with members. The guidance has been circulated and communication needs to be worked on which will refer to any contingent decisions.

A review of the error in the Treasury Revaluation Orders for 2021 and 2022 has not taken place, however, this is also within the mitigation plan.

Kelly Harding thanked Tom Embury for his hard work and assuring the members of the board.

Following queries, it was suggested to add a column to the report to identify who is responsible for each action.

Resolved.

1. **Tom Embury to add a column to the updates received register to identify who is responsible for each action**

Risk Register (Item 7)

Julie Felton advised there is a meeting scheduled to review all the Red risks the following week.

Following queries, Tom Embury advised that the corporate risk register uses the 5x5 grid rather than the 4x4 grid which can be easily resolved.

We may need to look at how the pension board risks feed into the corporate risks.

Tom Embury advised we will need to review how we manage the delivery of this due to the staff issues the team are currently experiencing.

Julie Felton suggested reducing the risks level, as the business case has now been closed and Kelly Harding has now provided a thorough mitigation plan to ensure these risks are not escalated.

Resolved

1. **Julie Felton to review the risks and de-escalate any of those that are relevant.**
2. **Tom Embury to discuss with the relevant team how we can better align pension board risks with WMFS corporate risks.**

13. Any Other Business

Paul Bennett reminded members of a case where an individual had difficulty getting his pension paid. He had sent emails to which he did not get a response to, therefore went to social media. This was then resolved.

Kelly Harding advised that the pensions team had received the email, and it was being worked on for that individual. He had originally raised the matter through a different route and the response was sent to an old email address. It was then raised via social media. This was also over 4 days. There was a communication error, and an apology email was sent due to this.

14. Date of next meeting

To note the date of the next meeting is to be held on the 7th March 2024

WMFPS Pension Board – Action Plan

Completed	Recently Updated	Missed completion date

Ref	Date	Subject	Action	Responsible	Completion date / Suggested timeframe	Status [Ongoing / Completed]
Actions arising from The Pensions Regulator Supervisory Report 2020/21 on the West Midlands Firefighter Pension Scheme						
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 **March 2023**	TNAs completed as of May 2023
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 **July 2023**	Agreed at **July Pension** Board
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 July 2023	Revised Terms of Reference drafted and agreed, staggered member

						replacement process agreed.
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	Completed – Election communications sent
D1	11/11	Pension Board Information Sharing	Review communications to Pensions Board and Scheme manager and ensure updates are provided when required.	Portfolio and Pensions Administration Teams	Implemented by **March 2023**	Complete
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		Completed
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	To be approved in **July** 2023.	Pension Board BCP agreed with minor additions at **July 2023** PB meeting.
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	Delayed until mid-2024.	Procedural notes created for some tasks, and work continues but not expected until mid 2024.

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	Completed
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	Completed
H1	11/11	Risk Management	PB Risk Register Sub Group to consider TPR recommended changes or improvement in formatting of the Risk Register: • 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 Incorporate relevant WMFS Corporate Risks within the PB Risk Register, to include Cyber Security (CR 7.3).	Pensions Board RR sub group	Completed by January 2023	Complete – PB agreed to maintain current RR approach.
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	Completed
I	11/11	Digitisation of records	All records to be digitised and accessible to support data collection.	Pensions Manager supported by	Completed	Completed

				Data and Governance Team		
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	Following appointment of new Pension and Payroll Manager (expected May 2024)	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 Data Review	Ongoing. Due to staffing shortages not expected to be full in place until later in 2024.
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	Mid-2024	**Scores not available for Annual Return to TPR in Jan 2024.** Expected to be undertaken in mid-2024 once additional staffing in place.
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	Mid-2024	**Scores not available for Annual Return to TPR in Jan 2024.** Expected to be undertaken in mid-2024 once additional staffing in place.

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 March 2023	Completed
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 update). This narrative to be provided to both the Scheme Manager and the Pension Board	Pensions Administration Team	Completed by **June 2023**	Complete – delivered to **July PB**. Further improvements to be made for future reports.
O	11/11	Documentation of Data validation procedures	Implementation of ORACLE upgrade is intended to allow retired 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.	Pensions Administration Team	Following appointment of new Pension and Payroll Manager	Deadline to be set once new P&P Manger in post
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 and ORACLE systems system once in place.	Pensions administration team	Following appointment of new Pension and Payroll Manager	Deadline to be set once new P&P Manager in post
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	Completed

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	Agreed September 2023	Information from FPSAB to be included on new webpage on WMFS.net
Actions arising from previous Pension Board meetings						
2	08/12	Members opt-out	Information to be circulated to employees to encourage them to remain in the scheme	Governance Advisor/PSS	April 2024	Ongoing - Now included within the Comms plan for Q4.
4	08/12	Actively updating data records	Pensions Manager to go back to all relevant individuals to ask them to update their records, to actively promote them to update their records.	Pensions Manager/ Admin Manager	Ongoing	MSS now in place for Active Scheme Members. Communication to be included in April Payslip.
1	07/09	Training and Development	Members to put forward suggestions for training and development to be added to Pension Board training plan	Pension Board Members	Complete January 2024	Complete
5	07/09	Administration	Update PB Risk Management Approach to reflect service corporate risk approach	Policy Advisor and Portfolio Team	January 2024	Ongoing
6	07/09	Terms of Reference	Scheme Manager to review the terms of reference to ensure that role of scheme manager, pension board and pensions administration are clear.	Scheme Manager and Policy Advisor	January 2024	Deferred
7	07/09	Performance Metrics	Consider update to pension administration KPI relating to transfers – realistic timescales to take account of potentially long delays between inquiries.	Policy Advisor and Pensions Admin team	January 2024	Deferred
9	07/09	KPIs	Review KPIs to see which cases are not currently covered by KPIs.	Board	March 2024	Contained with Pension Section

						Supporting Information Report
1	02/11	Communications	To determine how we communicate with members via the webpage to ensure their details are accurate.	Kelly Harding Paul Gwynn	January 2024	Complete
5	02/11	IDRP Process	IDRP - To understand how we capture the decision-making part of the process of Stage 1 appeals and to provide to the board.	Kelly Harding	January 2024	Reported to January 2024 Board
1	11/01	Training and Development	To confirm number of completed modules.	Tom Embury Sofia Mahmood Kamla Devi-Ahir	March 2024	
2	11/01	Employer Representative Role	To discuss the criteria of the Employer Representative role. (To replace Julie Felton)	Kelly Harding	March 2024	
3	11/01	Communication regarding Uplift	To ensure information regarding the uplift be added to the relevant communication.	Tom Embury	March 2024	Completed 20 February
4	11/01	Communication via social media	Discuss with Corporate Comms about adding to Social Media/Emails where individuals can access relevant information regarding specific issues regarding their pension.	Tom Embury	March 2024	Completed and began with Uplift Communication
5	11/01	Communication	To discuss with Corporate Comms to ensure information is provided to individuals to explain processes and answer common questions.	Keeren Nijjar Tom Embury	March 2024	
6	11/01	Person responsible for Action	To add an additional column within the 'Updates Received Register' to identify person responsible for the action	Tom Embury	March 2024	Completed

West Midlands Fire Service Pension Board Risk Register

Updated 17th January 2024 - 6 weekly review of 'red' risks

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 electonically/via a server and not yet on the cloud. Data backed up regularly	Scheme Manager	Pensions Manager	Annual		2/2/2023. For Pension Board consideration/discussion:- Recommendation for risk to be included in bespoke Pensions BCP as suggested by The Pension Regulator (TPR) and agreed by Pensions Board at meeting on 8th December 2022, **or,** as risk is specifically around 'flood/fire' and paper records are no longer held - is this still considered a risk? P. Bd 29/3/2023. Minutes refer. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed risk would be included in bespoke Pensions BCP. 7/9/2023 Pension Board - Pension Board BCP agreed.
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	02/02/2023. Part of The Pension Regulator 6 Key Processes and to remain in register. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed with proposal. 20.11.2023. Liklihood and Impact raised from 3 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024 Recognising and acknowledging the organisation has made significant steps as an interim, and withdrawn the Pensions Administration Business Case - the Risk Register has been reverted to its status at 25.10.2023 (14.11.2023 for Risk 20).This is due to - the Pensions Manager post being advertised and mitigation plan in place. A conversation with the interim Pensions Manager is requested to gain an understanding how risks in the register will be managed - with this fed back at the next Pension Board meeting.*
					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	
3a. 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.	2/2/2023. For Pension Board consideration:- Recommendation that when the Audit Report is completed, it comes to the attention of Pension Board via the Pension Manager update. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. To be reported into Pension Board on 7.9.2023 via Pensions Manager. 20.11.2023. Liklihood and Impact raised from 3 x 2 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
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	2/2/2023. For Pension Board consideration:- Should this risk be included in the bespoke Pensions BCP as suggested by TPR and agreed by Pension Board at meeting on 8th December 2022. Employee Rep return dated 5.5.2023 - if this item is to remain mention should also be made of issues that may be experienced due to the system and wider I.T not being available due to hacking/malware of the I.T infrastructure. 4/7/2023 Pension Board. Risk to be mirrored in BCP and progressed by Tom Embury. *17.1.2024. Refer to wording in itallics against risk 2.*
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	2/2/2023. For Pension Board consideration:- Recomendation to remove risk. Process now completed in-house with no reliance on third party. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Risk remains - to remain as is. 20.11.2023. Liklihood and Impact raised from 2 x 4 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. 20.11.2023. Liklihood and Impact raised from 2 x 4 to 4 x 4 to reflect impact of Pensions Administratiin on Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2 .*
6. Payment made to ineligible pensioner	1	3	3	⬇	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	2/2/2023 and 6/3/2023. For Pension Board consideration:- Recommendation to reduce risk due to work that has taken place, **or** change risk score to - Liklihod 1 Impact 3. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed with recommendation to reduce risk. 20.11.2023. Liklihood and Impact raised from 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2 .*
8. Insufficient resource to enable function to meet requirements of Pension Regulator	2	2	4	⬇	Structure and staffing of function under review	Head of Finance and Procurement (S151's)	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	2/2/2023. For Pension Board consideration:- Recruitment has taken place, which reduces liklihood. Recommendation to reduce risk score to - Liklihood 1 Impact 2/3. Employee Rep return dated 5.5.2023 - Is this reduction appropriate with Paul Gwyns's appointment as UNISON rep and subsequent reduction in time spent within the department. 4/7/2023 Pension Board. Agreed no changes should be made at present. 20.11.2023. Liklihood and Impact raised from 2 x 2 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
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.	2/2/2023. Online delivery via Portal awaited. 'Go Live' via Member Self Serve with provider agreed as 1/3/2023. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Portal 'live' with active members having access to Annual Benefit Statements and able to update contact details. Roll out to other members and penisoners being considered. Agreed risk would remain as is, until access to Annual Benefit Statements was more widely available.
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.	2/2/2023 and 6/3/2023. For Pension Board consideration:- risk score to remain same until complete. Those impacted historically have been managed, with application of McLoud Business as Usual. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed risk to Service remains. 20.11.2023. Liklihood and Impact raised from 1 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*

# Risk	L	I	Score	Direction	Controls	Risk Owner	Responsible Officer	Review Frequency	Assurance	Comments
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 penison tax updates. pension board involvement. Access professional advice before proceeding.	Head of Finance and Procurement (S151)	Pensions Manager	Annual	Annual Audit	02/02/2023. Risk remains as is until there are no longer any members in the 1992 Firefighters Pension Scheme. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed risk to Service remains. 20.11.2023. Liklihood and Impact raised from 1 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
17. Failure to manage FPS fund correctly i.e. injury pension accounting	1	2	2	↓	Training – Guidance Fire Finance network links	Head of Finance and Procurement (S151)	Finance	Annual	Annual Audit	02/02/2023. For Pension Board consideration:- Recommendation to increase risk score to - Liklihood 3 Impact 3. This is due to the recruitment of a Senior Accountant and retirement of the S151 Officer at end of March 2023. Changes in personnel and responsibilities to be considered. Structural review to support succession planning being discussed. KPI's to be implemented, picking up disclosure regulations. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Discussion re where risk sat - Organisational/Reputational or Pension Board. **Wording to be re-visited.** 20.11.2023. Liklihood and Impact raised from 1 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
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	Pensions Manager	Ongoing	Monthly management meeting between Payroll and Pensions Manager and Head of Human Resources. Annual Audit	2/2/2023 and 6/3/2023. No further legislation released. October 2023 release should confirm what is already known. Central resource (Clare Hey) at LGA leaving. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Reliance on Pensions Manager interpreting complex information received. Relationships being rebuilt. Agreed risk remains as is. 20.11.2023. Liklihood and Impact raised from 1 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
19. Failure to comply with disclosure requirements or communicate with staff	2	2	4	↓	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	Ongoing	Reports to Pension Board. Risk	2/2/2023 and 6/3/2023. For Pension Board consideration:- Recommendation to reduce risk score on adoption of KPI's and data behind these. Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed reduction to - Liklihood 2 Impact 2. 20.11.2023. Liklihood and Impact raised from 1 x 3 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*
20. Pension Board Resourcing/Succession Planning. Added 14/3/2022	3	3	9	↔	Discussion point at meeting on 28th March 2022. Employer (WBS) and employee (ER) positions to be filled.	Scheme Manager	Scheme Manager	As and when identified	Recruitment Process clarified for all positions	2/2/2023 and 6/3/2023. Pension Board Ballot 2 for employee rep commenced 30/1/2023 closing at 17:00 hours 22nd February 2023. Paper to be presented to Scheme Manager to re-apppoint Alan Tranter and Adam Harper for a further 3 year term. Chair position remains vacant. 30.5.2023 Employee Rep return dated 5.5.2023 - agree with recommendation. 4/7/2023 Pension Board. Agreed remains a risk. Minutes will cover wider discussion and suggestions re future approach. 02/11/22 - Vacant Employer and Active Scheme Member Positions Filled. Recommend reducing risk in future. 2/11/2023. Further to Julie Felton giving notice to retire from WMFS effective 31.3.2024 and subsequently the role of employer rep, it was agreed a recruitment process should commence. Agreed reduction of risk to - Liklihood 3 Impact 3
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.	2/2/2023 and 6/3/2023. No change due to waiting further instruction, which is not expected until at least October 2023. 4/7/2023 Pension Board. Agreed risk remains as is. 20.11.2023. Liklihood and Impact raised from 4 x 2 to 4 x 4 to reflect impact of Pensions Administration Review and support submission of feedback under consultation. *17.1.2024. Refer to wording in itallics against risk 2.*

Legend

Risk Score 1 - 4
Risk Score 5 - 9
Risk Score 10 -16

No change in risk from last review ↔
Decrease in risk from last review ↓
Increase in risk from last review ↑

Pension Board – Updates Received Register

Topic	Date	Link	Action	Responsible Person	Status
Local Pension Board (LPB) Training Sessions	29/02/24	February 2024 FPS Bulletin	Readers are asked to make their LPB members aware of the training sessions and encourage them to book onto a session.	Governance Advisor/Pension Board	NEW
Remedy – Remediable Service Statement (RSS) member video	29/02/24	February 2024 FPS Bulletin	Readers are encouraged to direct members to the video and website, should members have any queries relating to the RSS	Governance Advisor	NEW Will be picked up as part of planned March comms on Remedy and RSS
Matthews GAD Calculator Cost Sharing	29/02/24	February 2024 FPS Bulletin	FRAs to complete the purchase order form and return to bluelightpensions@local.gov.uk by **21 March 2024**.	Finance	NEW
Matthews GAD Calculator Version 2 corrections	29/02/24	February 2024 FPS Bulletin	Ensure that they have registered access to the calculator interest update files and the associated update email notification distribution list by contacting firematthewscalculator@gad.gov.uk	Pensions Administration Team	NEW
Scheme Management and Administration (SMA) Committee – Survey	29/02/24	February 2024 FPS Bulletin	Administrators are encouraged to complete the survey and respond by **15 March 2024**.	Pensions Administration Team	NEW Likely to be separate survey to in-house providers
Matthews exercise request for data	30/01/2024	January 2024 FPS Bulletin	FRAs are asked to provide Matthews project implementation data and opt out data to bluelightpensions@local.gov.uk by **21 February 2024**, using the separate data request spreadsheets.	Pension Administration Team	NEW Complete

Matthews - GAD calculator: Manual cases update	30/01/2024	January 2024 FPS Bulletin	Scheme managers and administrators are recommended to read the guidance, follow the process, and use the template supporting documents to assist the process. This process should be completed by **31 March 2024**.	Scheme Manager/Pension Administration Team	NEW
Age Discrimination remedy – Data Sharing Agreement and guidance	30/01/2024	January 2024 FPS Bulletin	Data Sharing Agreement and guidance - FRAs should use the Data Sharing Agreement for cases where a firefighter was employed by a previous FRA in the remedy period. FRAs are also advised to follow the guidance document when obtaining the data to ensure that the data is with administrators by **31 March 2024**.	Pension Administration Team	NEW
SAB Levy 2023-24 – Request for Purchase Order numbers	30/01/2024	January 2024 FPS Bulletin	FRAs to provide a valid purchase order number, stating the number of employees eligible to join one of the Firefighters' Pension Schemes as of 1 April 2023, using the form provided with the SAB 2023-34 levy letter	Finance/Scheme Manager	NEW Complete
New Pension Regulator General Code of Practice	10/01/2024	https://www.thepensionsregulator.gov.uk/en/document-library/consultations/new-code-of-practice?utm_source=outlook&utm_medium=email&utm_campaign=rsquarterlyjanuary&utm_content=newcode	For the Scheme Manager and Pension Board to acquaint themselves with the new General Code of Practice.	Scheme Manager and Pension Board	NEW

Immediate Choice Remediable Service Statement (IC RSS)	22/12/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-76-December-2023/FPS-Bulletin-76-December-2023-updated.pdf	Scheme Managers are encouraged to discuss the timetabling of the RSS with their administrators. Administrators are asked to commence testing the use of the IC RSS and provide any feedback to bluelighpensions@local.gov.uk	Scheme Manager and Pension Administration team	
LGA Contact Update	22/12/2023	https://forms.office.com/Pages/ResponsePage.aspx?id=7uRi4U8FPEuNOXVSTKjy6ZcpftUGZPNElngDlqvldyBUOVA1NlYzS0ZSQVJIRE1PN0tBVkEwRUkyWi4u	"Please can we ask you to complete the online form linked below and either complete on behalf of your fire authority and/or local authority or pass to anyone else who we may need their contact details. This will be our new contact information for anything being sent out in 2024, therefore even if we have your current details, we will need you to complete this by **20 January 2024.**"	Governance Advisor	Completed
New Pension Regulator Cyber Security Guidance	11/12/2023	https://www.thepensionsregulator.gov.uk/en/media-hub/press-releases/2023-press-releases/cyber-security-guidance-revised-to-help-tackle-	The Pensions Regulator (TPR) is calling on trustees to report significant cyber-related incidents as part of updated guidance to tackle the ongoing threat posed by cyber criminals. Pension schemes are at risk of being targeted by cyber-attacks because of the large amounts of personal data and assets they hold. TPR's latest guidance helps trustees and scheme managers meet their duties to assess the risk, ensure controls are in	Service Digital and Data team & Pension and Payroll Manager	

		threat?utm_source=outlook&utm_medium=email&utm_campaign=rsquarterlyjan	place, and respond to incidents. The guidance will also be of use to scheme suppliers and advisers.		
The Pension Regulator Annual Return	01/12/2023	https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes/scheme-management/scheme-return-for-public-service-pension-schemes	Completion of Pension Regulator Annual return by **25 January 2024**	Pension and Payroll Manager	Complete
Matthews GAD Calculator	20/11/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-75-November-2023/FPS-Bulletin-75-November-2023.pdf	• Read the user guide. • Ensure that they have the most up to date version of the calculator when they update the spreadsheet at the beginning of the month to allow for the latest interest rates. • Share this information with anyone who is carrying out the Matthews second options exercise.	Pension Administration Team	
Matthews – Deceased members	20/11/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-75-	FRAs to stockpile any cases which are currently not covered by the regulations until an amendment is in place.	Pension Administration Team	

		November-2023/FPS-Bulletin-75-November-2023.pdf	FRAs are encouraged to use the Individual Statement of Details documents to send an individual with information on their options.		
Matthews Data Collection	20/11/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-75-November-2023/FPS-Bulletin-75-November-2023.pdf	FRAs to maintain robust record keeping ensuring that the data required by the Home Office and GAD is easily accessible.	Pension Administration Team	
2022/23 Event Reporting - Annual Allowance Statements & Lifetime allowance	08/11/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-75-November-2023/FPS-Bulletin-75-November-2023.pdf	Scheme Managers need to submit data by 31 January 2024 Any administrator who needs to submit these details to HMRC, can submit them on a password protected spreadsheet and send the password in a separate email.	Finance	Complete
Age Discrimination Remedy - Contingent Decisions guidance	01/11/2023	https://www.fpsregs.org/images/Bulletins/Bulletin-74-October-2023/FPS-Bulletin-74-October2023.pdf	Scheme managers to read the guidance and mutually agree any setting of target dates with their administrator before sharing the claim process with members. https://www.fpsregs.org/images/Age-discrimination/Age-discrimination-remedy-Contingent-Decisions-guidance1.pdf	Scheme Manager/Pension Administration Team	Added to Mitigation Plan

| Error in the Treasury Revaluation Orders for 2021 and 2022 | 01/11/2023 | https://www.fpsregs.org/images/Home-Office/HO-notification-to-FRAs.pdf | Scheme Managers are to ensure that this error is corrected retrospectively. | Scheme Manager/Pension Administration Team | Added to Mitigation Plan |

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

PENSION BOARD

Item 9

7 March 2024

IDRP UPDATE

1. BACKGROUND

1.1. If a scheme member, prospective member, dependant, or other person with an interest in the firefighter pension scheme, is dissatisfied with a decision made by the Scheme Manager, or the failure to make a decision, they have the right to appeal through the Internal Dispute Resolution Procedure (IDRP).

2. ACTIVE IDRPs

2.1. There are currently no active IDRPs for the Firefighters Pension Scheme, although the service is currently managing one active LGPS IDRP at Stage One, and the West Midlands Pension Fund, as Scheme Manager, have been notified.

3. RECENT IDRPs

3.1. A Stage Two IDRP appeal was lodged in early January 2024, and heard by the Appeals, Standards and Appointments Committee on 26 February 2024. The complainant had requested to be allowed re-entry to the 1992 Firefighter Pension Scheme following his decision to leave in 2011 and argued that he had receive insufficient support from the pension section and HR department while making that decision. He also highlighted that he would have been unable to make this change post-2015 without seeking financial information.

3.2. At Stage One this had been rejected by the Scheme Manager on account of the 1992 Scheme being a closed scheme, and that the service's pension administration team are unable to provide financial advice. The individual had been advised to raise concerns with the company which had originally managed the pension into which he

Ref.

transferred.

3.3. <mark>The outcome of the Stage Two appeal was…</mark>

4. IDRP STAGE TWO PROCESS

Following the explanation of the Stage One process at the meeting of the Pension Board on 11 January 2024, it was felt it might be helpful to explain the Stage Two process here:

4.1. Following Stage One of the IDRP, once a decision is provided, the complainant is informed that if they are not satisfied with the decision, they can apply for reconsideration at Stage 2 in writing. Again, a timeline of six months for doing so is given by guidance, but discretion may be exercised.

4.2. Stage Two complaints are heard by the Fire Authority Appeals Committee (known as the Appeals, Standards and Appointments Committee), which will be specially convened for the purpose. The same one week and two-month timeline for acknowledgement and response respectively applies.

4.3. The Committee will be provided with a paper which sets out the nature of the appeal, as well as any information submitted by the complainant, and the content of the Scheme Manager's Stage One decision including any relevant legislation or regulations on which that decision was based. The Committee will consider the appeal in closed session, as it relates to the personal information of an individual and would not be appropriate to be heard in public. The complainant does not have the right to appear before the committee.

4.4. As with Stage One, in providing their response to the complainant, the Authority must give an explanation as to whether, and if so to what extent, that decision either confirms or replaces the decision made by the Scheme Manager/person specified by them. It will also need to refer to any legislation or regulations relied upon for the decision and also include, if a discretion has been exercised under the Scheme, a reference to the provisions

Ref.

of the Scheme under which the discretion is conferred.

4.5. If a complainant is still not satisfied, their next recourse is through the Pension Ombudsman. At this stage, the Authority must provide a complainant with information on external sources of information or recourse, in particular the Ombudsman at Stage 2, but also the Money and Pensions Service.

Tom Embury
Governance Advisor

Ref. AU/PB/2023/

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

PENSION BOARD

Item 10

7 March 2024

COMMUNICATIONS UPDATE

1. **BACKGROUND**

    1.1. It is recognised that regular communications to scheme members, both active and retired/deferred is important. With the current challenges facing the scheme administration, including the implementation of McCloud Remedy, openness in communications will be important in allaying concerns and ensuring members are reassured of progress.

    1.2. Pension Board are invited to suggest further topics for communication for future weeks or within the rest of this period.

2. **COMMUNICATIONS PLAN – Q3 and Q4 2023/24**

    2.1. The below plan does not preclude responsive communications as required or include individual communications to pensioners in response to queries etc.

    2.2. The following communications have occurred or are planned between December 2023 and May 2024:

Date	Topic	Media
18 December 2023	General Pension Administration Update	MESH and online
20 December 2023	Explanation of McCloud Remedy process (including direct communication with impacted members)	Email, post, MESH and online
18 January 2024	Outcome of Pension Administration Outsourcing Business Case and Consultation Process	MESH and online
February 2024	Pension Uplift Communication	MESH, Online (inc. social media), Email

Ref.

		and post
Mid-March 2024	Further details of McCloud Remedy process – highlighting complexity and explaining reasons for long timetables.	MESH, online (inc. social media)
April 2024	Opt-out communication – discouraging pension members from opting out of the scheme (suggest developed with PB and specifical active scheme member)	MESH (and other internal channels)
April/May 2024	Introduction to Pensions Administration Team – dependent upon appointment timeline for P&P Manager.	MESH and online

Tom Embury
Governance Advisor

Ref.