West Midlands Fire and Rescue Authority

Pension Board

You are summoned to attend the meeting of Pension Board to be held on
Thursday, 02 November 2023 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
      •   [To agree the date of the next Pension Board Meeting –
           Thursday 11 January 2024].

13   Pension Administration Consultation – Pension Board Discussion
      [Informal consultation session – officers not present]

Distribution:

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

Strategic Hub, 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

07 September 2023 at 11:00 hrs

Conducted at Headquarters and digitally via Microsoft Teams

Attendance:

Chair: Alan Tranter – Employee Representative

Employer Representatives:	**Employee Representatives:**
Julie Felton	Alan Tranter
Sofia Mahmood	Paul Bennett
Kamla Devi-Ahir	

Officers and advisors in attendance:

Richard Stanton - Assistant Chief Fire Officer, Kelly Harding – Head of People Support, Tom Embury – Deputy Clerk to the Authority, Christina Jackson - Senior Pensions Practitioner, Sarah Powell – Pension Practitioner, Chandni Patel – Democratic Services Officer

Please note: Christina Jackson and Sarah Powell attended on behalf of Paul Gwynn (Pensions and Payroll Manager)

1. To receive apologies for absence

- Adam Harper
- Paul Gwynn

2. Declarations of Interests

No declarations of interest were submitted.

3. Minutes of the Previous Pension Board held on 04 July 2023

Resolved that the minutes of the Pension Board held on 04 July 2023 be approved as a correct record of proceedings.

4. <u>Matters Arising</u>

Items provided prior to the meeting

Paul Bennett advised item 11 needed to be more specific identifying which document is to be removed. He believed it was called the Haywood testing document. All agreed that Item 11 required to be more specific.

It was highlighted that two IDRPs had been received after the publication of the last report and they would be covered in this meeting. This was to form part of the verbal report.

5. <u>Action Plan- September 2023</u>

Tom Embury provided an overview/update on the action plan, as per agenda pack, as follows:

Reference	Update
A2	Add training and development to the Action Plan. To understand how this will fit in with the organisation.
E2	To add procedural notes/checklists to action plan.
L	Update to be provided at the next Pensions Board Meeting.
J-M	Aligned to the implementation of Altair. Action plan to be updated.
O	Options are being reviewed for all to have access Oracle. Action Plan to be updated
Q2	As per agenda item 10
4 – 08/12	Julie Felton and Kamla Devi-Ahir to discuss next steps.
9-15 – 29/03	Completed
16 – 04/07	Risk register changes have been made.
17 – 04/07	Has been approved

22	Annual report approved. Scheme manager to provide update to the FRA in October
23	Has occurred

Resolved:

1. That it be agreed that the Pension Board Action Plan be approved. And that members bring forward suggestions for training and development and to add this to the development plan.

Kelly Harding provided an update regarding the rollout of ALTAIR

Christina Jackson advised that the deferred statements have been issued before the deadline of 31st August.

Following queries Julie Felton advised a conversation to happen outside the meeting regarding Admin support for mailings.

Resolved:

2. Paul Gwynn and Julie Felton to discuss approach to contacting pensioners regarding deferred statements in future.

ACFO Richard Stanton advised that it is difficult to see progress actions are making. A proposal was made to move to an alternative system to track progress. Microsoft Planner was given as a suggestion.

Alan Tranter advised that we need to consider whether those outside the organisation will have access. We will need to ensure that we fulfil the TPR requirements.

Resolved:

3. Julie Felton to work with Chandni Patel & Tom Embury to look at how we could migrate the action plan to Microsoft Planner.

Following concerns raised, it was advised that a potential agenda item at a future meeting could include training for PB members on how to use the new system.

Alan Tranter agreed.

6. **Risk Register**

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 they would have.

Julie Felton advised that Risk 17 required rewording based on the discussions between Kal Shoker and Paul Gwynn. This will be discussed further with Sofia Mahmood.

Paul Bennett referred to Risk 17 and advised that there had been an enquiry submitted to show the pay had been reduced. This information, however, had come from the individual and not the audit process.

Resolved:

4. Kelly Harding and Paul Gwynn are to discuss next steps to ensure there are no others who have been paid more/less.

Richard Stanton noted that it isn't easy to see the journey of these risks and if or when they materialise into an issue. He proposed an alternative option for risk management to ensure greater assurance to the scheme manager.

Resolved:

5. Richard Stanton and Tom Embury to look at alternative options for risk register.

7. Roles of the Scheme Manager, Pension Board and Pension Administration Manager [Discussion Item]

Alan Tranter proposed that the Scheme Manager give specific written updates on relevant matters to ensure we are working together to get the best outcome. We may need to review legislation as there are changes going to be made.

Kamla- Devi-Ahir advised moving forward we need to ensure that the right people are in post to ensure the right information is going into the report and suggested a revised terms of reference.

Resolved:

6. Richard Stanton and Tom Embury to create a new or revised term of reference with roles and expectations which can be circulated across the board.

8. Recruitment - Active Scheme Member Representative [Verbal Report]

As discussed in the last meeting, it had been agreed that Corporate Communications would support advertising the role to all active scheme members, with an appointment to be made before the next board meeting (2 November 2023).

9. Pension Section Supporting Information 7th September 2023

Christina Jackson provided clarification regarding 2.5 'Transfers (Other) which is if someone wants to transfer out of the private sector scheme, personal scheme or occupational scheme.

Members need time to consider the decision, therefore at time there is a long wait before information is received. A time limit is applied to each one and if that time runs out, there is another 12-month wait or they will have to pay for another transfer value

If someone does operate a 'Transfer' in 12 months they don't have a chance to do it after that period.

In terms of the figures and required target, it may be helpful to look how it is monitored.

Resolved:

7. To review the KPI and understand how it is set and monitored to ensure a more useful/accurate figure.

Sarah Powell suggested having an option that provides a narrative and an option to provide details on KPIs.

No cases are listed on the report regarding Internal Dispute Resolution Procedures.

Following concerns regarding this, Kelly Harding advised there has been possibly four in total, however there is one that hasn't entered the IDRP process.

This report will need to be updated.

Resolved:

8. It was agreed that the report be updated to reflect the current IDRP numbers, and that in future IDRPs will be reported separately.

Regarding 4.2 Oracle Fusion, following concerns Kelly Harding advised members that the ability of pensioners to access Oracle without a cost occurring is under discussion with Oracle's UK management team, as the required functionality is not currently available to UK customers.

Kelly Harding advised Oracle UK doesn't recognise Pensioner as a naming convention. This has been taken to Oracle International to get a better understanding of the system's functionality.

10. <u>Firefighter Pensions SAB Pension Administration Strategy Draft for Approval.</u>

Tom Embury advised that this was brought to the board in March as one of the recommendations to the pension regulator.

The main areas that needed to be customised to make the draft relevant to our scheme have been amended.

This will be on the website as a reference for pensioners to view is approved within this forum.

Following concern Regarding, Appendix A - KPIs, Tom Embury advised members that when targets are set for KPIs, there will be some exceptions that should be taken into account. Those listed at 100% are KPIs which should not be falling outside of our statutory limit.

It may be possible for a case to not fall into any of these KPIs

<u>Resolved:</u>

9. It was agreed to review this further and look at any of the cases that may fall out of the KPIs and to ensure they are added to the report.

Christina advised there is a pensions inbox set up and when an enquiry is received an email is sent with the relevant time frames. Due to the resources available, it was more challenging to track phone calls. However, we will need to look at how we record that acknowledgement and initial response if that is required. They are recorded on the KPIs listing and responded to the email on the initial enquiry.

No further comments were made.

The draft document was approved for publication.

11. <u>IDRP Update [Verbal Report]</u>

Kelly Harding provided an update regarding the current IDRPs.

There have been two FFPS IDRPs received over the past six months. In addition, one further email was received, however, this was not accepted or addressed as an IDRP case.

A summary of each case is below:

1. Individuals had opted out of the 1992 pension scheme based on external advice that they had received. They were asking to be put back into the pension scheme. IDRP was not founded, and the individual was advised to address the issue with the company/individual that had provided the original advice.

2. The lump sum option form provided outlined two possible alternative options for the members' choice of lump sum. The first option – despite it detailing the correct annual figure – the monthly figure was incorrect. The IDRP was not founded as the correct annual figure was shown and this is what the choice was made on.

Both responses were sent in July and there has been no further action, at this point.

12. <u>System Process Update [Verbal Update]</u>

Major issues around ORACLE and ALTAIR have been discussed. (Item 5)

13. <u>WMFPB Breach Reporting Policy - 2023 Update</u>

Tom advised the original Breach reporting Procedure was brought to the last pension board and it was agreed it would be updated. This has now been updated to reflect the current scheme. A flow chart has also been added as requested.

This document will sit within Pensions Board SharePoint as well as on the wmfs.net website.

14. <u>LGA/Blue light Pensions Updates including FPS Bulletins</u>

Alan Tranter advised that there have been a number of updates currently being provided. We need to look at how we manage these updates as it is not clear how they are being dealt with.

Following concerns Christina advised that each practitioner receives a copy of the bulletins and is up to the individual to make themselves aware of the items on there. Each action is addressed and given to the relevant person, depending on its nature.

Kelly Harding advised that Paul Gwynn can update in the next Pensions Board to provide to ensure that assurance is provided.

<u>Resolved</u>

10. To ensure assurance is provided in the next Pensions Board on how these bulletins are managed.

15. **Firefighter Pension Scheme Annual Meeting 19 and 20 September [Verbal Report]**

To agree (if any) representative(s) to attend – 19 and 20 September 2023 – London

Richard Stanton advised that Paul Gwynn is attending, and no others have communicated they are attending, however, we can get an Employee and Employer representative to support.

Kelly Harding advised she will be able to attend on the 20th of September.

16. <u>Date of Next Meeting</u>

The date of the next Pension Board is to be held on the 2 November 2023

17. <u>Any other Business</u>

Richard Stanton thanked Alan Tranter on for undertaking the role of chair for the past six months.

The meeting ended at 12.34pm

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	~~Update to March 2023 Audit and Risk Committee Meeting – subject to Remedy roll out.~~	Partial set of notes created for some tasks, and work continues but not expected until end 2023.

					Report expected to **November** Pensions Board	
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 Data and Governance Team	Completed	Completed
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~~ November 2023	Ongoing. Altair update now complete and data improvement policy and data review to now be progressed
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. Altair update now complete and data improvement policy and data review to now be progressed
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 June 2023~~ ~~Completed by~~ **October 2023** Scores to be shared as part of annual return to TPR	Ongoing – date reviewed Updated planned for future PB meeting
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 June 2023~~ Scores to be shared as part of annual return to TPR	Ongoing – date reviewed Updated planned for future PB meeting

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	Reviewed September 2023 - Oracle Trial now working, next steps being determined.	Options being reviewed as to how to grant all pensioners access to Oracle (or otherwise invest in Altair).
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	Full implementation expected by **May 2024**	Update expected by **November 2023** – partial completion of automation so far – only for active scheme members.
Q1	11/11	Administrative Task Timescales	Pensions Team to provide a report to the Scheme Manager setting out the expected task timescales (e.g.,	Pensions administration team	Completed by March 2023	Completed

			responses to queries), which will also be shared with Pension Board.			
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	A report is to be submitted to Audit and Risk Committee that included information circulated to employees to encourage them to remain in the scheme and what actions could be taken to keep them well informed before they decided to opt-out of their pension scheme.	Deputy Clerk / Pensions Manager	Completed by March 2023	Ongoing
4	08/12	Actively updating data records	Pensions Manager to go back to all relevant individuals to ask them to update their records, with assistance from Julie Felton, to actively promote them to update their records.	Pensions Manager/ Admin Manager	Completed by March 2023	Ongoing
8	29/03	Oracle ownership	Pensions Manager and PSS to speak with the relevant officer responsible for the ownership of the Oracle system.	Pensions Manager/PSS	Completed by July 2023	Ongoing - PB updated via email.
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 2023	
2	07/09	Deferred statements	Paul Gwynn and Julie Felton to discuss approach to mailing/contacting pensioners	Paul Gwynn and Julie Felton	Complete November 2023	
3	07/09	Administration	Transfer workplan to Planner, ensuring access for all Pensions Board members	Julie Felton, Chandni Patel	Complete November 2023	

4	07/09	Review of Audit Process	Kelly Harding and Paul Gwynn to provide assurance that no further payment errors have been missed by our audit process.	Kelly Harding, Paul Gwynn	Complete November 2023	
5	07/09	Administration	Update PB Risk Management Approach to reflect service corporate risk approach	Policy Advisor and Portfolio Team	January 2024	
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	
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	
8	07/09	Pension Section Supporting Information report update	Pension Section Supporting Information report for 07/09 to be updated to reflect IDRPs. In future IDRPs to be reported separately.	Chandni Patel	November 2023	
9	07/09	KPIs	Review KPIs to see which cases are not currently covered by KPIs.	Board	March 2024	
10	07/09	LGA/Blue Light Pensions Updates	Process for assuring Pension Board that all such emails are being managed to be agreed at next pension board meeting	Pensions Administration	November 2023	

Last update: 25/10/2023

West Midlands Fire Service Pension Board Risk Register

Updated 25 October 2023.

Scheduled review date: 11th July 2023. 6 monthly review to include 'red' risks. Mutually agreed meeting was not required as register had been fully reviewed at Pension Board on 4th July 2023
Scheduled review date: 29th August 2023. 6 weekly review of 'red' risks. Meeting did not take place. Request from Chair that register was forwarded for inclusion in 7th September Pension Board, with any emerging risks picked up through Pensions Manager report having reviewed the KPI's.
Scheduled review date: 3rd October 2023. 6 weekly review of 'red risks' - Meeting did not take place

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
					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
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.
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.
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.
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)	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 - Liklihod 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.
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.
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.	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.

	L	I	Score	Trend	Controls	Owner	Responsible	Frequency	Assurance	Update
					pension board involvement. Access professional advice before proceeding.	Procurement (S151)				
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
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.
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 of risk to - Liklihood 2 Impact 2.
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.	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.
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.

Legend

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

No change in risk from last review ⟷
Increase in risk from last review ⬆
Decrease in risk from last review ⬇

WEST MIDLANDS FIRE AND RESCUE AUTHORITY Item 7

PENSION BOARD

7th September 2023

SCHEME MEMBER REPRESENTATIVE APPOINTMENT

1. BACKGROUND

1.1. The Pension Board Terms of Reference dictates that it will have three Scheme Member (Employee) representatives, at least one of which must be an active scheme member, and one of which must be a retired member.

1.2. Following the retirement of Adam Harper from West Midlands Fire Service, he was no longer eligible to represent active scheme members, and stepped down from the board, leaving a vacancy. Adam kindly agreed to continue in an informal capacity until a replacement could be appointed.

2. APPOINTMENT

2.1. Officers advertised the role to current scheme members via MESH, Yammer and through representative bodies. The communications outlined the requirement of the role, and particularly welcomed applications from those typically underrepresented within the grey book work force.

2.2. One application was received, from Watch Manager Alex Daw, who was duly appointed by the Scheme Manager. Alex will join the board for a period of three years, or until his resignation or retirement.

Tom Embury
Governance Advisor

Ref.

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

PENSION BOARD

2nd November 2023

PENSION SECTION SUPPORTING INFORMATION

1. **WEST MIDLANDS FIRE SERVICE FIREFIGHTERS' PENSION SCHEMES MEMBERSHIP AS AT 31st August 2023**

Active Firefighters	1,388
2015 scheme members	1,251
Non-members	137 (9.9%)
Pensioners	2,293
Dependants	432

2. **Key Perfomance Indicators – Quarter ending 31st August 2023 (Previous quarter)**

2.1 Estimate requests

Received during period	33 (36)
Responded to during period	32 (14)
Average response time	49 (31) days
Cases outside target	11 (3)
Performance	65.6 (78.6)%
Indicator Below Target and Falling	

2.2 Divorce proceedings

Received during period	9 (1)
Responded to during period	2 (1)
Average response time	43 days
Cases outside target	1
Performance	50%

   Indicator Below Target and Falling (This is due to the pausing of CETV's due to changes to the SCAPE Rate)

2.3 Basic Scheme Information

Received during period	28 (71)

Ref. AU/PB/2020/Mar/22502202

Responded to during period   48 (49)
Average response time   22 (3.5) days
Cases outside target   6 (0)
Performance   72.7% (100%)
Indicator Below Target and Falling

2.4 Transfers – Inter-brigade

Received during period   17 (7)
Responded to during period   1 (0)
Average response time   22 (0) days
Cases outside target   1 (0)
Performance   0 (0%)
Indicator Below Target unchanged

2.5 Transfers - Other

Received during period   4 (11)
Responded to during period   7 (1)
Average response time   845 (32) days
Cases outside target   6 (0)
Performance   14.3 (100)%
Indicator below target and falling

The majority of these cases were closed on 24th August due to a failure by the member or the previous scheme to provide the required data to progress the case. There have been no cases during the period where a member has completed a transfer. The board are asked to consider providing feedback to the Scheme Manager regarding how this indicator should be measured.

3. <u>**INTERNAL DISPUTE RESOLUTION PROCEDURE (IDRP)**</u>

As the handling of IDRP cases is a responsibility of the Scheme Manager and the role of the admin team is simply to provide technical advise and background to cases, this section will be removed from future reports. Should the Board require this information they should consider requesting it from the Scheme Manager.

4. <u>**System updates**</u>

4.1 ALTAIR Member self service

Ref. AU/PB/2020/Mar/22502202

We continue to prepare to roll out access to the system to all scheme members both active and retired.
Data is being collected and fed in to the system to enable members to see their accurate position following the publication of the new scheme regulations.

4.2   ORACLE Fusion

We continue to await confirmation that work to deliver Pensioner Payslips should be progressed.

Paul Gwynn
Payroll and Pensions Manager

Ref. AU/PB/2020/Mar/22502202

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

PENSION BOARD   Item 9

2 November 2023

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.

2. RECENT IDRPs

2.1. There have been two FFPS IDRPs received since May 2023. In addition, one further proposed IDRP received, however, this was not accepted or addressed as an IDRP case.

A. Individual had opted out of the 1992 pension scheme based on external advice that they had received. They were asking to be put back into the pension scheme. IDRP was not founded, and the individual was advised to address the issue with the company/individual that had provided the original advice.

B. The lump sum option form provided outlined two possible alternative options for the members' choice of lump sum. The first option – despite it detailing the correct annual figure – the monthly figure was incorrect. The IDRP was not founded as the correct annual figure was shown and this is what the choice was made on.

2.2. Both responses were sent in July and there has been no further action, at this point.

Ref.

3. ACTIVE IDRPs

3.1. There are currently no active IDRPs being considered by the Scheme Manager at Stage 1 or by the Fire Authority Appeals Committee at Stage 2.

Tom Embury
Governance Advisor

Ref.