

COMMISSIONERS FOR FIRE & RESCUE SERVICE

Papers for the Local Pension Board Committee to be held on:

Tuesday 15 October 2024, 1000hrs

**In person at South Wales Fire & Rescue Service Headquarters,
Forest View Business Park, Llantrisant, CF72 8LX**

Or

Remotely via MS Teams

**Please ensure you join the meeting 15 minutes prior to meeting
time**

Link: https://bit.ly/LPB_15_10_24

**Any issues please contact
01443 232000 and ask for Governance Support**

A G E N D A

1. Apologies for Absence
2. Declarations of Interest

Commissioners are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the South Wales Fire and Rescue Authority (Exercise of Functions) (Wales) Directions 2024 and the Local Government Act 2000.

3. Chairperson's Announcements
4. To receive the minutes of;
Local Pension Board Committee held on 3 July 2024 3
5. Update on Outstanding Actions 9

REPORTS FOR DECISION

6.	Review of Key Performance Indicators	11
7.	Local Pension Board – Service Level Agreement (SLA)	25
8.	Local Pension Board Risk Register	49

REPORTS FOR INFORMATION

9.	Public Sector Pension Scheme Legislation – McCloud & O'Brien Remedy Exercises and the Pensions Department Dashboard Project	65
10.	Internal Dispute Resolution Procedures (IDRP)	79
11.	Scheme Advisory Board – Verbal Update	101
12.	Publications, Updates, Information (Standard Item)	103
13.	Forward Work Programme for Local Pension Board Committee 2024/2025	107
14.	To consider any items of business that the Chairperson deems urgent (Part 1 or 2)	109

Signature of Monitoring Officer:



COMMISSIONERS FOR SOUTH WALES FIRE AND RESCUE SERVICE

MINUTES OF THE LOCAL PENSION BOARD COMMITTEE HELD ON WEDNESDAY, 3 JULY 2024 IN MEETING ROOM 8 & REMOTELY VIA TEAMS

OFFICERS PRESENT:- T/ACFO Dean Loader (Chair) – Director of Service Delivery, ACO Alison Reed – Director of People Services & Scheme Manager, Mr Chris Williams – Head of ICT, Ms Gabbie Greathead – Interim Monitoring Officer & Legal Services Manager, Mr Gareth Tovey – Fire Brigades’ Union, Mr Dave King – Fire & Rescue Service Association, Mr Ian Traylor – Pensions Service Director, RCTCBC,

1. APOLOGIES

CFO Stuart Millington

2. DECLARATIONS OF INTEREST

Each Member of the board declared a personal non-prejudicial interest in each agenda item.

3. CHAIR’S ANNOUNCEMENTS

The Chair welcomed each board member to their first meeting and introductions were made.

4. APPOINTMENT OF NEW CHAIR AND REVIEW OF THE LOCAL PENSION BOARD COMMITTEE TERMS OF REFERENCE (TOR)

The ACO People Services wished to confirm the appointment of a new Chair of the Local Pension Board with immediate effect, namely Temporary Assistant Chief Fire Officer Dean Loader, Director of Service Delivery.

The ACO People Services also invited board members to review the terms of reference (TOR) for the Local Pension Board as set out in the Members’ Handbook.

Mr Gareth Tovey raised that the Commissioner’s appear to have discharged functions and will not be sitting on this board which he believed was a concern and risk going forward.

The ACO People Services advised that, in line with scheme manager guidance on who should be scheme manager, there was an opportunity to delegate the role of the scheme manager hence why the Commissioner's have approved the ACO People Services into the role.

A discussion arose around the appointment of a Deputy Chair and it was agreed that a flexible approach be taken and a decision made at the time of the Chair's unavailability.

RESOLVED THAT

- 4.1 Members of the board confirmed the appointment of the new Chair, namely Temporary Assistant Chief Fire Officer Dean Loader, Director of Service Delivery.
- 4.2 Members of the board reviewed the TOR for the Local Pension Board Committee, contained within the Members' Handbook.
- 4.3 The ACO People Services agreed to raise Mr Tovey's concerns with the Commissioners.
- 4.4 The ACO People Services to arrange for the Members' Handbook be uploaded to the intranet to ensure access for all staff.
- 4.5 The Chair to clarify point D under chapter 2 of the Members' Handbook and report back.

5. PUBLIC SECTOR TOOLKIT

The ACO People Services advised it is a requirement for members of local pension boards to undertake training as part of their role. She advised that, following the meeting, she would take members through an online training package to include governance and breaches of the law etc as part of their role which would give board members a good grounding in discharging their duties. She further advised that the training is required to be undertaken prior to the next meeting of the board, ideally within the next 4 weeks. A link to the toolkit will be provided for members of the board.

RESOLVED THAT

Members of the board noted the update.

Mr Dave King joined the meeting at 10:26hrs due to technical issues.

6. REVIEW OF KEY PERFORMANCE INDICATORS

The Pension Service Director reported on the Service Level Agreement (SLA) between South Wales Fire & Rescue Service and Rhondda Cynon Taf County Borough Council which sets out the manner in which certain duties and responsibilities are expected to be carried out. A key element of the SLA is the reporting on actual performance activity against the agreed key delivery Service Standards. The report is intended to provide officers with an update on key activity undertaken during the reporting period and shares the performance data for the period December 2023 to March 2024.

Mr Gareth Tovey advised he would see value in a discussion around the meaning of KPIs. He requested clarification on what KPIs mean to those accessing their pensions and for those individuals to be able to scrutinise them.

The ACO People Services agreed to bring the SLA to the next meeting which will assist members in identifying their responsibilities.

A discussion arose around the self-serve statistics at page 53. Mr Gareth Tovey requested a tight timescale in getting the issue rectified for scheme members. Mr Ian Traylor explained the member self-serve figures for the 2015 scheme are low when compared to the 1992 self-serve figures. He agreed to provide this detail at the next meeting. Communication will be sent to encourage sign up.

The ACO People Services wished to report on the relationship between the Service and the pension providers at RCT who work very closely and positively. She further advised that South Wales are the only Service who provide immediate detriment payments.

RESOLVED THAT

- 6.1 Members of the board noted the performance data included at Appendix 1 attached to the report.
- 6.2 Members of the board noted the relevant pension administrative overview and update included at Appendix 2 attached to the report.
- 6.3 More detail to be provided on the self-serve statistics.
- 6.4 Additional communication will be sent on the annual benefit statement to ensure scheme members have a full understanding of its content.

7. PUBLIC SECTOR PENSION SCHEME LEGISLATION – MCCLOUD & O'BRIEN REMEDY EXERCISES AND THE PENSIONS DASHBOARD

The ACO People Services reported on the statutory timelines imposed by the recent changes to Public Sector Pension Scheme legislation and more specifically Firefighter Pension Schemes, more commonly known as the McCloud and O'Brien (Matthews 2) pension remedy exercises.

In addition, the Pensions Dashboard Project, which is being implemented by the Department for Work and Pensions (DWP) is now gathering pace and the connection date for schemes, in the fire sector, is October 2025.

Pensions dashboards are digital services including apps, websites and other tools which savers will be able to use to see their pension information in one place. This includes information on their state pension. A saver will use dashboards to search the records of all pension schemes to confirm whether or not they are a member.

Mr Gareth Tovey raised the HMRC tax issue and queried if the Service anticipates any delays, if so, would there be a risk to the Service if timescales are not adhered to and could members of the board be assured that the Service is not taken to court. The ACO People Services confirmed that she has chased the LGA for an update on the current position.

Mr Gareth Tovey queried if the Service was confident that all 473 scheme members had been written to. The ACO People Services confirmed the Service has reached out to all those at risk, unless they have not informed the Service of change of address, she was relatively confident that all involved in the first exercise have been captured. She further advised that any concerns can be raised at a national level however will continue to monitor the position.

The Head of ICT raised the pension dashboard where public service pension schemes can be viewed via a portal, regular updates can also be viewed here.

RESOLVED THAT

- 7.1 Members of the board noted the content of the report.
- 7.2 Members of the board noted the statutory obligation placed on the Scheme Manager to ensure that these timelines are met for all 3 national projects.

8. PUBLICATIONS, UPDATES, INFORMATION (STANDARD ITEM)

The ACO People Services shared relevant publications, updates and information relating to pension matters with members of the board.

RESOLVED THAT

Members agreed to review the publications which were shared for information and awareness purposes, as attached at Appendix 1.

9. FORWARD WORK PROGRAMME FOR LOCAL PENSION BOARD 2024/2025

The ACO People Services presented the Forward work Programme for 2024/2025.

A discussion arose around good communication with scheme members and the implementation of pension schemes. Mr Gareth Tovey suggested 'video style' updates in place of lengthy reports as a way of updating scheme members. He advised it this is done effectively it may reduce the number of queries that the pension team receive.

RESOLVED THAT

9.1 Members of the board noted the content of the Forward Work Programme for 2024/2025 and agreed to the addition of SLA, KPI & Communication Updates.

10. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRPERSON DEEMS URGENT (PART 1 OR 2)

There were no items of business that the Chair deemed urgent.

THIS PAGE IS INTENTIONALLY BLANK

AGENDA ITEM NO 5

UPDATE ON OUTSTANDING ISSUES ARISING FROM PREVIOUS MEETINGS
--

Minute No	Item	Action	Leading Officer	Current Status:
07/24 4.4	Members Handbook	ACO People Services to arrange for the Members Handbook to be uploaded to the intranet	ACO Alison Reed	
07/24 4.5	Members Handbook	Chair to clarify Point D under chapter 2 of the Members Handbook	ACFO Dean Loader	
07/24 6.3	Self Service Statistics	Ian Traylor to provide more detail on the self-serve statistics	Ian Traylor	

THIS PAGE IS INTENTIONALLY BLANK

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 6
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

REVIEW OF KEY PERFORMANCE INDICATORS**THIS REPORT IS FOR DECISION**

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES

REPORT PRESENTED BY IAN TRAYLOR, HEAD OF SERVICE - PENSIONS,
PROCUREMENT AND TRANSACTIONAL SERVICES, RHONDDA CYNON
TAF CBC (SCHEME ADMINISTRATOR)**SUMMARY**

The Service Level Agreement (SLA) between South Wales Fire & Rescue Service and Rhondda Cynon Taf Country Borough Council sets out the manner in which certain duties and responsibilities are expected to be carried out. A key element of the SLA is the reporting on actual performance activity against the agreed key delivery Service Standards. The following report is intended to provide Members with an update on key activity undertaken during the reporting period and shares the performance data for the periods April 2024 to August 2024.

RECOMMENDATIONS

1. That Members of the Local Pension Board note the performance data included at Appendix 1 attached to the report.
2. That Members note the relevant pension administrative overview and update included at Appendix 2 attached to the report.

1. BACKGROUND

- 1.1 The ongoing monitoring of the key performance indicators / service standards and activity, is intended as a measurement to help evaluate the success or otherwise of the service provided to the South Wales Fire & Rescue Authority on behalf of its scheme members, by the RCT Pension Service.

2. ISSUES

2.1 There are no issues to report.

3. IMPLICATIONS

3.1 Community and Environment

Equality, Diversity and Inclusion	No
Welsh Language	No
Wellbeing of Future Generations (Wales) Act 2015	No
Socio Economic Duty	No
Sustainability/Environment/Carbon Reduction	No
Safeguarding	No
Consultation and Communications	No
Consultation with Representative Bodies	No
Impact Assessment	No

3.2 Regulatory, Strategy and Policy

Legal	No	Data Protection / Privacy	Yes
Financial	Yes	Health, Safety and Wellbeing	No
Procurement	No	Governance & Audit	Yes
Corporate Risk	No	Service Policy	Yes
Information Management	Yes	National Policy	No

3.3 Resources, Assets and Delivery

Human Resource and People Development	No
Assets and Resources (Property/Fleet/ICT/Equipment)	No
Service Delivery	Yes
Procurement	No
Budget Revenue/Capital	Yes

4. EVALUATION & CONCLUSIONS

4.1 Members are asked to review the outturns in the Appendices attached to the report with a view of discussing them at the meeting.

5. RECOMMENDATIONS

5.1 That Members of the Local Pension Board note the performance data included at Appendix 1 attached to the report.

5.2 That Members note the relevant pension administrative overview and update included at Appendix 2 attached to the report.

Contact Officers:	<p>ACO Alison Reed Director of People Services</p> <p>Ian Traylor Service Director Pensions, Procurement & Transactional Services, Rhondda Cynon Taf CBC (Scheme Administrator)</p>
Background Papers	<p>Appendix 1 – Current Year Key Performance</p> <p>Appendix 2 – Overview and Update of Administrative Activity</p>

THIS PAGE IS INTENTIONALLY BLANK

APPENDIX 1

MONTHLY SERVICE STANDARDS Scheme 90 (Protected 92 Scheme and Transitioned members)															Relates to last Month Completed		
<u>STANDARD MEASURED</u>		<u>TARGET</u>	<u>INTER' VENTION</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	–	–	–	–	–								No cases completed.	–
% Divorce Estimates processed within 10 days	Statement	100	95	100%	100%	–	100%	100%								One case completed. On time.	100%
% Preserved Benefits processed within 10 days	Statement	100	90	–	–	–	–	–								No cases completed.	–
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	–	–	–	–	–								No cases completed.	–
% Retirements from Active membership processed within 5 days	Payment	100	95	100%	100%	100%	100%	100%								3 cases completed. All on time.	100%

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	-	100%	100%	-	-								No cases completed.	100%
% Transfers In processed within 10 days	Statement	100	90	-	-	-	-	-								No cases completed.	-
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	-	-	100%	-	-								No cases completed.	100%
% death grant for active members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-								No cases completed.	-
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-								No cases completed.	-

MONTHLY SERVICE STANDARDS Scheme FIR (2006 Scheme and Transitioned members)															Relates to last Month Completed		
STANDARD MEASURED		TARGET	INTER' VENTION	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	-	-	-	-	-								No Cases completed.	-
% Divorce Estimates processed within 10 days	Statement	100	95	-	100%	-	-	-								No Cases completed.	100%
% Preserved Benefits processed within 10 days	Statement	100	90	100%	-	-	100%	-								No Cases completed.	100%
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	-	-	-	-	-								No Cases completed.	-
% Retirements from Active membership processed within 5 days	Payment	100	95	100%	-	100%	-	-								No Cases completed.	100%

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	-	100%	-	-	100%									2 cases completed. Both on time.	100%
% Transfers In processed within 10 days	Statement	100	90	-	-	-	100%	-									No Cases completed.	100%
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	-	-	-	-	-									No Cases completed.	-
% death grant for active members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-									No Cases completed.	-
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-									No Cases completed.	-

MONTHLY SERVICE STANDARDS Scheme F15 (2015 only members)															<u>Relates to last Month Completed</u>	
<u>STANDARD MEASURED</u>	<u>TARGET</u>	<u>INTER' VENTION</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	-	-	-	-	-							No cases completed.	-
% Divorce Estimates processed within 10 days	Statement	100	95	100%	-	-	-	-							No cases completed.	100%
% Preserved Benefits processed within 10 days	Statement	100	90	100%	91.66%	100%	100%	100%							14 cases completed. All on time.	97.73%
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	-	-	-	-	-							No cases completed.	-
% Retirements from Active membership processed within 5 days	Payment	100	95	-	-	-	-	-							No cases completed.	-

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	-	-	-	-	-								No cases completed.	-
% Transfers In processed within 10 days	Statement	100	90	100%	-	100%	100%	-								No cases completed.	100%
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	-	-	-	-	-								No cases completed.	-
% death grant for active members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-								No cases completed.	-
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	-	-	-	-	-								No cases completed.	-

APPENDIX 2

The following information is intended to provide Members of Pensions Board with an overview and update on key administrative activity:

Member Self-Serve Statistics

Member Self-Serve (MSS) take-up as 11th September 2024

	Status 1 (Actives)	Status 2 (Pending leavers)	Status 4 (Deferred)	Status 5 (Pensioners)	Status 6 (Dependants)
92 Scheme	86.33%	40%	74.60%	57.89%	18.45%
Total Membership	256	5	126	1230	206
2006 Scheme	80.46%	55.56%	51.91%	59%	18.02%
Total Membership	522	18	865	1405	222
2015 Scheme	36.47%	50%	29.75%	66.67%	0%
Total Membership	713	10	474	3	0

Scheme Member Complaints

- There have been no formal complaints this period.

Key Administration Activities

- 2024 Annual Benefit Statements (ABS) were issued by the statutory deadline of 31st August 2024. Active member statements showed rolled back (legacy scheme) for remedy period. Deferred member statements showed current position as data for this cohort not yet available to RCT team.
- Activation keys for My Pension On-line issued to all members who were not registered for the service informing them that ABS available to view.
- Annual Benefit Statements Remediable Service Statements (ABS-RSS) statutory deadline 31 March 2025. Statements will show rolled back service for remedy period, comparison between legacy and reformed scheme and contributions information. Work has commenced on updating member records to produce statements. GAD contribution calculator information to be provided to RCT Team by SWFRS in October/November 2024.
- 23/24 Pension Savings Statements (PSS) – deadline for provision 6 October 2024. Work commenced and deadline expected to be met.
- Remediable Pension Savings Statements (R-PSS)- show revised Pension Input Amounts for remedy period, deadline for provision 6 October 2024. Work commenced and deadline expected to be met.
- Immediate Choice Remediable Service Statements (IC-RSS) – RCT Team have started working on cases. LGA have categorised cases depending on original benefit taken and whether HMRC legislation is in place to be able to administer remedy.
 - Green – can be processed - 180 cases (including 33 death and ill health cases which are being prioritised).

THIS PAGE IS INTENTIONALLY BLANK

- Amber – could be processed but some legislation still required. 135 cases.
- Red – cannot be processed until clarity on legislative position obtained. 28 cases.
- Pensioners with backdated pay increases are being re-worked
- Current retirements being paid to time.
- Member tax amendments being updated to HMRC via new process.
- Regular meetings with SWFRS Pensions Team continue.
- RCT Team attended regular drop-in sessions with Heywood to feedback any issues with pensions administration software to improve ability to administer benefits quickly and accurately.
- RCT Team regularly attend LGA Technical Briefing Sessions.
- RCT and SWFRS teams continue to liaise regarding Matthews 2nd Options Exercise. Pensions Software to be updated to accommodate administration requirements.
- RCT Team Member has joined LGA Matthews forum.
- RCT to join collaborative meetings with SWFRS and other Welsh Administering Authorities to review LGA bulletins and guidance.
- RCT Team attended Fire Pensions Annual Conference September 2024.
- Notification received from Welsh Government that Fire Valuation Data will be required by 1st December 2024.
- Pension Dashboard onboarding deadline is October 2025, RCT have contracted with Heywood (current software provider) to be their ISP (Integrated Service Provider).

THIS PAGE IS INTENTIONALLY BLANK

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 7
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

LOCAL PENSION BOARD – SERVICE LEVEL AGREEMENT (SLA)**THIS REPORT IS FOR DECISION**REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES
REPORT PRESENTED BY ASSISTANT CHIEF OFFICER, ALISON REED**SUMMARY**

A Service Level Agreement (SLA) is a contract between a service provider and its customer. It documents the service the provider will furnish and defines the service standards the provider is expected to meet.

There is a Service Level Agreement for the provision of services for Fire Pensions. These services are provided by RCT Pensions.

RECOMMENDATIONS

1. That Members undertake a review of the Service Level Agreement attached to the report at Appendix 1.
2. That the Service Level Agreement is formally reviewed by the Members on an annual basis.

1. BACKGROUND

- 1.1 Service Level Agreements help manage expectations and describe the performance characteristics of the service being provided.
- 1.2 A Service Level Agreement will typically include a statement of objectives, a list of the services to be covered by the agreement, and will also define the responsibilities of the service provider and customer under the Service Level Agreement.
- 1.3 The Service Level Agreement attached to the report as Appendix 1 was originally discussed and agreed with our Pensions Administrator, Rhondda Cynon Taff (RCT), in 2019, and has subsequently been reviewed periodically by the Local Pension Board.
- 1.4 Members are asked to review the SLA and discuss areas for improvement/change at the meeting.

2. ISSUES

2.1 There are no issues to report.

3. IMPLICATIONS

3.1 Community and Environment

3.1.1 There are no significant community and environment implications from this report.

3.2 Regulatory, Strategy and Policy

3.2.1 The SLA provides a framework for service delivery so that the procuring organisation and service provider can agree service standards and expectations.

3.3 Resources, Assets and Delivery

3.3.1 There are no significant implications from this report. The costs of the service provided by RCT is included in the annual budget projections.

4. RECOMMENDATIONS

4.1 That Members undertake a review of the Service Level Agreement attached to the report at Appendix 1.

4.2 That the Service Level Agreement is formally reviewed by the Members on an annual basis.

Contact Officer:	Alison Reed Director of People Services
Background Papers	Appendix 1 –Service Level Agreement

Provision of Pension Administration Services for the Firefighters Pension Schemes

Service Level Agreement Between:

Rhondda Gynon Taf County Borough Council

and

South Wales Fire and Rescue Service

This agreement sets out, for administrative convenience, the manner in which certain duties and responsibilities are expected to be carried out. It does not override any provision or requirement in the Regulations outlined below or in any overriding legislation. The intentions of the Regulations in their application to members, potential members, deferred members and pensioners must at all times be complied with.

The principal Regulations forming the basis of this agreement are:

The Firemen's Pension Scheme Order 1992 and any amendments thereto.

The New Firefighter's Pension Scheme Order 2006 and any amendments thereto.

The Firefighters' Compensation Scheme (Wales) Order 2007 and any amendments thereto.

The Firefighters' Pension Scheme (Wales) (Amendment) Order 2014

The Firefighters' Pension Scheme (Wales) Regulations 2015 and any amendments thereto

The Firefighters' Pension Scheme (Wales) (Transitional and Consequential Provisions) Regulations 2015

The Occupational Pension Schemes (Disclosure of Information) Regulations 1996 and any amendments thereto.

INDEX

	Page No.
1. Service Level Agreement - Outline	3
2. Management and Administration	4
3. Responsibilities	
Pensions Administrator Responsibilities	5
Employer Responsibilities	9
4. Service Costs	11
5. Data Protection	11
6. Signatures to the Agreement	12
 Appendices	
Appendix A Nominated Representative and Authorised Signatories	13
Appendix B Rhondda Cynon Taf Pensions Section Service Standards	14
Appendix C Internal Disputes Resolution Procedures	19
Appendix D Divorce Administration Procedures	20
Appendix E Advisors and External Service Suppliers	21

SERVICE LEVEL AGREEMENT

Between

Pensions Administrator	And	Employer
Rhondda Cynon Taf County Borough Council		South Wales Fire and Rescue Service

Commencement Date

21/10/2019

Service Provided

Administration of the Firefighters Pension Schemes

Person Responsible

Pension Service Manager

Location of Service

Pensions Section, Bronwydd, Porth R.C.T. CF39 9DL

Brief Outline of service

1. Payment of benefits in a timely and accurate manner
2. Provision of a comprehensive communication and information service
3. Compliance with Statutory Obligations

Rhondda Cynon Taf County Borough Council Contacts

Service Director 01443
Ian Traylor 680591

Employer Contact: 01443
Catherine Black 680646

Employer Queries: 01443
Jenny Kingsbury 680514
Claire Williams

Member Queries: 01443
Pension Helpdesk 680611

Address:
Pensions Section
Bronwydd, Porth, CF39 9DL.

South Wales Fire and Rescue Service Contacts

Pensions Liaison Officer: 01443
Mrs Julia Thompson & Mrs Sarah Glover 232353

Director of People Services 01443
Ms Alison Reed 232024

Accountant (People Services) 01443
Mrs Kim Jeal 232189

Address:
Fire Service HQ,
Forest View Business Park,
Llantrisant, Pontyclun, CF72 8LX.

MANAGEMENT & ADMINISTRATION

Details of how the Service will be provided

▪ **NOMINATED REPRESENTATIVE**

South Wales Fire and Rescue Service (the Employer) shall nominate a person who will be responsible for pension matters, and who will act as the Pension Section's primary contact. The name and title of this person is shown in **Appendix A** of this Agreement.

▪ **AUTHORISED SIGNATURES**

All documents and/or instructions received from South Wales Fire and Rescue Service must be signed by an 'Authorised Officer' whose name and specimen signature is recorded in **Appendix A** to this Agreement. Authorised Officers are responsible for all information passed to the Pension Section. Only information, which has been signed by a recognised authorised officer, will be actioned by the Pension Section.

Any proposed change to either the 'nominated representative', or to the list of 'Authorised Signatures' must be notified to the Pension Section who will supply South Wales Fire and Rescue Service with the necessary documentation for completion.

It is the responsibility of South Wales Fire and Rescue Service to ensure that the 'nominated representative', and the list of 'authorised signatures' are correct and to notify the Pension Section of changes to either immediately.

▪ **VARIATIONS TO THE AGREEMENT**

Either party to the agreement may notify the other in writing with suggested changes. The Pension Service Manager will notify South Wales Fire and Rescue Service's nominated representative if the change is at the suggestion of the Pensions Administrator. South Wales Fire and Rescue Service should contact the Pension Service Manager with any suggested changes.

▪ **MONITORING & REVIEW**

The agreement will form the basis of a review of services provided by South Wales Fire and Rescue Service and the Pensions Administrator. The review will be held in the form of a meeting of those officers responsible for the services set out in this agreement, and will take place annually, with more frequent operational meetings as and when necessary. The meetings will be initiated by South Wales Fire and Rescue Service.

Reporting to the Local Pension Board (LPB)

Representatives of RCT Pension Administrators attend the LPB meetings held three times per year to update the Members of the Board on:

- To update Pension Board on 'good governance' compliance against new and existing / new controls, for example Cyber security mitigation, scheme data management/scores, etc

- To support the South Wales Fire and Rescue Service mitigate key pension operational risks, in accordance with their risk register.
- To inform Board of compliance against the various statutory obligations, for example reporting of Annual Benefit Statements to scheme members by 31st August.
- To inform Board of any breaches that have occurred that may require formal reporting to the Pensions Regulator.
- To report on any formal complaints received by the Pension Service and trends.
- To report on actual performance activity against the key delivery 'Service Standards'
- To report to the Board where issues have not been resolved through the operational meetings described under "Monitoring and Review" section above.

▪ COMPLAINTS

The Pensions Service Manager will be responsible for dealing with formal complaints in respect of the service provided under this agreement. An 'Internal Disputes Resolution Procedure' for individual members with a complaint about a pension decision taken is in place within the South Wales Fire, in accordance with Wales Fire and Rescue Service Circular (09) 01, see **Appendix C**. See attached.

RESPONSIBILITIES & DISCRETIONS

The services provided by the Pensions Administrator, Rhondda Cynon Taf County Borough Council, will be:

- To set up and maintain a record for each member which contains all the information necessary to produce an accurate benefit calculation.
- To establish an active pension account for each member that meets the qualifying criteria (i.e. unprotected or tapered members) for membership of The Firefighters Pension Scheme (Wales) Regulations 2015
- To ensure that the computerised pension record system is properly updated for all changes relating to scheme members.
- To determine how any previous service or employment of an employee is to count for pension purposes.
- To notify each member of their decisions regarding the counting of service.
- To annually adjust active members CARE pension accounts by the relevant index
- To provide details about the purchase of additional benefits following receipt of information and to provide an estimate.
- To calculate adjustments necessary in respect of any notified secondment of a fire-fighter to a central fire establishment. This should normally be

accomplished within six months of the fire-fighter's return but is dependent upon other agencies outside the control of Rhondda Cynon Taf County Borough Council.

- To calculate and pay, if applicable, the appropriate benefits, based on details held on the pension administration record and the information supplied SWFRS on the termination form.
- To supply members with details of their entitlement
- To set up and maintain a record for each pensioner or dependant member.
- To increase pensions periodically in accordance with the provisions of Pensions Increase Acts and Orders.
- To calculate, notify and pay the appropriate benefits to dependants of deceased scheme members and pensioners.
- To monitor continuing eligibility of benefits paid to child dependants of deceased scheme members and pensioners.
- To calculate Cash Equivalent Transfer Values required under Pensions on Divorce Regulations 2000 within time-scales laid down in Regulations.
- To implement within the time limit stipulated in Pensions on Divorce Regulations any Pensions Sharing Orders or Earmarking Orders, see **Appendix D**.
- To set up and maintain computerised records for each Pension Credit Member established under Pensions on Divorce Regulations.
- To ensure compliance with Occupational Pension Schemes (Disclosure of Information) Regulations 1996.
- To ensure compliance with General Data Protection Regulations.
- To take steps to reduce the possibility of fraud taking place including taking part in the biennial National Fraud Initiative exercise.
- To respond to correspondence and queries received relating to pension entitlement of all Fire Scheme members and pensioners.
- To provide information for HMRC statutory returns
- To notify SWFRS of tax due to be paid in line with quarterly accounting for tax deadlines

- To ensure relevant statistical information is made on an annual basis to the Pensions Regulator.
- To comply with any orders or instructions issued by The Pensions Regulator or the Pensions Ombudsman.

Member Communications

- To provide My Pension On-line – this is an on-line facility which allows members access to their pension records to produce estimates and update personal details. Newsletters and Annual Benefit Statements will be issued using My Pension On-line. Members retain the right to opt-out of electronic communications at any time.
- To record and use the members language of choice, in accordance with Welsh Language Standards.
- Issue Newsletter(s) covering relevant matters relating to pension benefits to active members as and when required. To be agreed by RCT Pensions and SWFRS as necessary and publish electronically where possible.
- Issue Newsletters to pensioner members annually in April
- Issue Annual Benefit Statements, within timeframes as outlined in Regulations to deferred and active members. Where the year end information is not received in a timely and accurate manner RCTCBC can not guarantee the accuracy of any information provided to members.
- Issue Pension Savings Statements to members in accordance with HMRC regulations.
- To provide targeted seminars, twice yearly to educate active Firefighters Pension Scheme members on topics to be agreed by SWFRS and the Pensions Administrators. Location and delegates to be arranged by SWFRS. Representatives of RCT Pensions and SWFRS to attend each session.
- To provide, on request, standard membership reports from the pensions administration system to enable South Wales Fire and Rescue Service to comply with statutory requirements e.g. year end accounting, valuation and ad-hoc requests. All requests for reports should be fully specified in writing. The Pensions Section retains the right to make an additional charge for any report that is a non-standard report where significant resource input is necessary to compile data. Where the year end information is not received in a timely and accurate manner, RCTCBC can not guarantee the accuracy of any information provided.
- Any problems experienced by South Wales Fire and Rescue Service with the service delivery will be immediately reconciled following investigation. Such problems should, in the first instance, be submitted to the Pensions Service Manager. The Pension Section is committed to the delivery of a quality administration service. Service Standards are set out at **Appendix B**.
- The Pension Section will aim to provide a written response to any query raised in writing by the South Wales Fire and Rescue Service within 14 days of its receipt.
- The Pension Section shall respect the confidentiality of information exchanged under this agreement.

- To set the annual charge to include any ad-hoc charges for work undertaken outside the SLA in the previous year by no later than 31st May each year (indicative costs to be provided, as early as possible, to support budgeting), and to provide a full breakdown of the service costs including rationale in relation to any increase, for the following financial year. An example of how the level of detail that will be provided is as set out in **Appendix F**

Pensioner Payroll Services

- The following services will be provided in respect of the pensioner payroll;
 - (i) To make lump sum payments to fire-fighters upon their retirement
 - (ii) To collect various statutory and voluntary deductions from pension and advise South Wales Fire and Rescue Service to make appropriate payments to organisations concerned
 - (iii) To pay pensioners each month at the due date, that is, in advance for each calendar month on 1st of each month. Pensions are paid from the South Wales Fire and Rescue Service nominated bank account.
 - (iv) To process immediate payments to correct non/under payments of pensions where appropriate
 - (v) To reply to correspondence relating to tax queries
 - (vi) To ensure that appropriate statutory returns are made to HM Revenue & Customs
 - (vii) To ensure that Form P60 is issued to pensioners and relevant RTI submission is made to HM Revenue & Customs

Employer Responsibilities

The services provided by the employer, South Wales Fire and Rescue Service, will be:

- Issue the joining employee with Notification of Appointment Form, Nomination Form and Co-habiting Partner Form along with a 2015 Firefighters Pension Scheme Guide prior to appointment.
- On a monthly basis to provide new starter information in excel format to the Pensions Administrator and forward on corresponding completed member documentation
 - To determine an employee's pay for the purposes of calculating pension contributions.
 - To gather all information relating to a member's previous service within three months of the member joining the Scheme and to transmit this information securely to the Pension Section in the approved manner.
 - On the cessation of membership of the Scheme to determine the reason for leaving and provide the Pension Section with a completed Termination Form detailing the final pay, CPD and employee contribution figures within 5 days of the termination date, except where the leaving date is prior to SWFRS Payroll deadline.
 - South Wales Fire and Rescue Service shall obtain and consider the written opinion of at least one qualified medical practitioner, selected by them, where first instance decisions of entitlement to awards involve disablement questions or any other issues of a medical nature.
 - To accompany any statement issued to an employee relating to any decision made about the Scheme with a notice drawing the employee's attention to their right of appeal under the FPS, NFPS or FPS (Wales) 2015
- South Wales Fire and Rescue Service shall provide the Pensions Section with year-end information to 31 March each year by no later than the deadline set each year by the Pensions Administrator. The Pensions Administrator will provide appropriate documentation in March each year detailing the required format. That information shall contain the name and pensionable pay of each employee who is an active member, the amounts which represent deductions from pay, the final pay for calculating FPS and NFPS benefits, the pensionable pay relevant for the FPS (Wales) 2015 including Assumed Pensionable Pay in the circumstances described in Chapter 3 The Firefighters' Pension Scheme (Wales) Regulations 2015.
- CPD contributions are to be provided annually by the end of July in the format required by the Pensions Administrator.
- Where RCT Pensions have a query on the pay information provided SWFRS to reply within **5 working days**.
- Where a member dies in service the Pensions Administrator shall be notified within 5 working days of the death of the member
- Where a person who is, or has been a regular **fire-fighter**, dies from the effects of a qualifying injury, leaving a surviving spouse, the Pensions Administrator shall be notified within **5 working days** of the death. South Wales Fire and

Rescue Service must further inform the Pensions Administrator whether conditions apply for payment of augmented benefits.

- Aim to provide a written response to any query raised in writing by the Pensions Administrator within **14 working days** of its receipt.
- South Wales Fire and Rescue Service shall distribute any information provided by the Pensions Section for Fire Scheme members and/or potential membership within **14 working days** of its receipt.
- Above bullet will reduce to 5 days for retirement queries.
- Where information collected reveals serious example of non-compliance with targets set out above the Pensions Section will work with South Wales Fire and Rescue Service to try and resolve each issue.
- South Wales Fire and Rescue Service shall under Scheme Regulations consider, at such intervals as they think fit, whether the degree of disablement has substantially altered in cases where retirement resulted from a qualifying injury. Details of any amendments to the percentage disability should be notified to Pensions Section within **7 working days** of South Wales Fire and Rescue Service receiving a decision from the Independent Qualified Medical Practitioner so that any reassessment of injury pension payments can be made.
- Furthermore, South Wales Fire and Rescue Service may resolve to cease injury pension reassessments after 5 years from when the pension becomes payable. Pensions Section to be notified of South Wales Fire and Rescue Service's decision regarding this discretion.
- South Wales Fire and Rescue Service may withdraw a pension in cases of conviction of certain offences. South Wales Fire and Rescue Service must notify Pensions Section within **5 working days** of any such decision to cease relevant pension payments.

The Pensions Administrator is not responsible for verifying the accuracy of any information provided by the Employer for the purpose of calculating benefits under the provisions of the Firemen's Pension Scheme or the New Firemen's Pension Scheme. That responsibility rests with the South Wales Fire and Rescue Service.

SERVICE COSTS

Service costs will be amended annually in accordance with Rhondda Cynon Taff County Borough Council annual fees and charges uplift plus any additional charges e.g. system service charges. The service cost will be notified and agreed with South Wales Fire and Rescue Service accordingly.

TERMINATION

The arrangements outlined in this document can be terminated with a minimum of 12 months' notice from either party. The effective date of any change will be from the relevant next financial year.

Data Protection

Rhondda Cynon Taf County borough Council is classed as the Data Processor under the General Data Protection Regulations (GDPR) as we process data on behalf of the Data Controller, South Wales Fire and Rescue Service.

Rhondda Cynon Taf County Borough Council and South Wales Fire and Rescue Service will not do anything which could cause the GPDR to be breached. Should any request, complaint, notice or communication which relates directly to the processing of personal data be received by either the Pensions Administrator or South Wales Fire and Rescue Service the other party shall be immediately notified and action be taken to respond.


Rhondda Cynon Taf County Borough Council and South Wales Fire and Rescue Service will ensure that data held in relation to the administration of the Firefighters Pension Schemes is limited only to those employees who need access to that data in order to fulfil this Agreement and all reasonable steps should be taken to ensure that those employees fully understand their responsibilities with regard to Data Protection.

Where data is required to be shared with external parties e.g. GAD, The Cabinet Office (NFI) for the purposes of pension administration only data that can be shared for the purpose of lawful processing will be provided, not data where consent is required. Data being sent electronically will be sent securely either via secure networks or password protected.

Rhondda Cynon Taf County Borough Council is under a duty to protect the public funds it administers, and to this end may use information for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for these purposes. Members have a right to see a copy of the information held about them on application to the Council's Data Protection Officer.


The terms and conditions of this Service Agreement are hereby agreed between the following parties:

**Agreed and signed on
behalf of South Wales
Fire and Rescue Service**

A Reed. 
Position DIRECTOR, ^{DEAM} ^{MONITORING}
 PEOPLE SERVICES OFFICER

Date 21.10.19. 30.10.19.

**Agreed and signed on
behalf of the Rhondda
Cynon Taf County
Borough Council**


 SERVICE DIRECTOR PENSIONS

21.10.2019.

THIS PAGE IS INTENTIONALLY BLANK

Appendix A

Nominated Representative and Authorised Signatories

Name of Employer:

South Wales Fire and Rescue Service

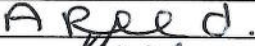

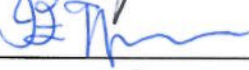

The person responsible for pension matters within the above Employer is:

Name: Ms Alison Reed

Title (post held) ACO People Services


Authorised Signatures

The following employees are authorised to sign pension documents on behalf of the South Wales Fire and Rescue Service, and their specimen signatures are shown below.

Name	Specimen Signature	Effective Date
Ms Alison Reed		21.10.19
Mrs Kim Jeal		21.10.19
Mrs Julia Thompson		21.10.19
Ms Sarah Glover		21.10.19.

The current version of this document must always form part of this agreement.

Signed on behalf of the South Wales Fire and Rescue Service:


Position DEPUTY MONITORING OFFICERDate 30.10.19

**Rhondda Cynon Taf County Borough Council
Pension Section – Service Standards**

STANDARDS OF SERVICE

Standards of Service for members of the The Firemen's Pension Scheme Order 1992, The New Firemen's Pension Scheme Order 2006 and The Firefighters' Pension Scheme (Wales) Regulations 2015

The following pages detail the key service standards for members of the Firefighters Pension Schemes

The Pensions Section is committed to providing all scheme members with a professional and efficient service. We aim to deliver this service in a helpful and courteous manner.

Our aims are:

- **To provide a comprehensive and effective communication and information service.**
- **To make pension payments in a timely and accurate fashion.**
- **To meet the Service Standards laid out in this document**
- **To be cost effective.**
- **To be accountable to you for what we do by monitoring the quality of our service and reporting on how well we've lived up to our standards.**

Our standards of service specify the maximum turnaround times in which we aim to take the action indicated. The stated times will be reviewed at regular intervals. The target days stated are working days.

Our Commitment to New Employees

Basic information

When the Pensions Section receive notification that a new firefighter has joined the scheme, a pensions record will be set up

Our Commitment to Our Contributing Members

Transfers In

If requested to investigate the possibility of a transfer of pension rights from the firefighter's previous pension scheme, the Pensions Section aim to calculate the estimated benefits that a transfer value will buy and issue a quotation to the firefighter within 10 days of receiving all the necessary information. Payment of the transfer value will be requested as soon as practicable after receiving an instruction to proceed with the transfer.

We aim to confirm the actual benefits purchased by the transfer value to the employee within 10 days of receiving payment from the previous scheme.

Annual Benefit Statement

A benefit statement will be issued to members on an annual basis provided the Pension Section has received information necessary to produce an accurate statement, by the Statutory deadline of 31 August each year

Estimate Requests

Members are entitled to one estimate of future retirement benefits per calendar year commencing from the date of the last estimate provided, any further requests will be provided at the discretion of the Pensions Administrator.

***The Pensions Administrator reserves the right to make a charge of £108.00 plus V.A.T. for any subsequent quotations requested.**

The Pensions Administrator can provide factual information to members, individually, either by telephone or in person.

Paying Extra Contributions

Any member wishing to pay extra contributions to buy an additional period of FPS or NFPS membership will be provided with an estimate. The Pension Section aims to provide the estimate within 5 working days of receiving all the necessary information if the request is received within 2 months of the member's next birthday. Otherwise requests received before that date will be acknowledged and members advised when estimate to be processed.

Retirements

We aim to send details of the benefits payable and pay the tax-free cash lump sum and first payment of pension within 5 working days of retirement where all the information required from the employer and/or the member is received before the retirement date. For all other cases payment will aim to be made within 5 working days of receipt of all information required.

Deaths

We aim to send details of the benefits payable within 5 working days of receiving all of the information required. We aim to notify South Wales Fire and Rescue Service of any lump-sum death grant within 5 working days of receiving all relevant documentation in order for them to make payment.

Refunds

We aim to notify South Wales Fire and Rescue Service within 5 working days of receiving all the relevant information from the Fire-fighter in order for them to make payment.

Transfers Out

If a transfer of benefits from the FPS or NFPS is requested, we aim to issue a quotation within 10 working days of receiving all the necessary information. This quote will be guaranteed for three months.

We aim to pay a transfer value within 10 working days of receiving confirmation to proceed along with all the information we require making the payment.

*** Every member is entitled to one quote per transfer.**

The Pensions Administrator reserves the right to make a charge of £108.00 plus V.A.T. for any additional quotations requested.

Our Commitment to Our Deferred Members

Estimate Request

We aim to provide an Estimate of Retirement Benefits within 10 working days of receiving a request for details.

Preserved Benefits into Payment

Subject to a current address being held by the Pensions Section, the aim is to send details of the benefits payable so that they are received by the deferred

member 10 working days before they are due to come into payment. If all the information required by the Pensions Section is received by the date payment is due, we aim to make payment of the first payment of pension and any lump sum by commutation within 5 working days of the payment due date. Otherwise we aim to make payment within 5 working days of receipt of all relevant information.

Our Commitment to Our Pensioners

Changes in Personal Particulars

We will acknowledge receipt of a written notification of a change in name, address, bank or building society details and make the appropriate amendments to the pensioner's payroll record within 5 working days of receiving the written notification.

Change of Tax Code

We will update the pensioner's payroll record with a revised tax code within 2 working days of receiving notice of the change from the Inland Revenue. The change will be implemented from the next payment date.

Newsletter

We will send a Newsletter to each of our pensioners at least once a year, usually in April.

Deaths of Pensioners

We aim to acknowledge receipt of a notification of the death of a pensioner within 5 working days. We aim to issue notification of dependant's benefits within 5 working days of receipt of all relevant information.

Service Standards	
<ul style="list-style-type: none"> ▪ Retirements from active status (requested by SWFRS) ▪ Retirements from active status (requested by member) ▪ Retirements from deferred status ▪ Employer estimate requests ▪ Payment on death of active or deferred member 	<ul style="list-style-type: none"> ▪ 5 working days (of receipt of full and accurate information)

<ul style="list-style-type: none"> ▪ Transfer-in estimates ▪ Transfer-out actual payment 	<ul style="list-style-type: none"> ▪ 10 working days ▪ 5 working days
<ul style="list-style-type: none"> ▪ Divorce estimates ▪ Preserved benefits ▪ Refunds processed ▪ Reports showing performance against each of the above Service Standards 	<ul style="list-style-type: none"> ▪ 5 working days ▪ 5 working days ▪ 10 working days ▪ 10 working days ▪ 10 working days ▪ 10 working days ▪ 10 working days ▪ Quarterly in June, September, December and March

The above timescales represent the target for completion when the Pension Section has received all relevant information.

As a general rule, both parties also undertake to continue to introduce electronic procedures and forms wherever possible in line with a move towards greener policies, to help streamline procedures and processes and generally save costs.

Contact Information

For further information on any aspect of the Firefighters Pension Schemes members can contact the **Pensions Helpdesk on 01443 680611**.

Alternatively they can write to:

The Pensions Section
 Rhondda Cynon Taf County Borough Council
 Bronwydd
 Porth
 CF39 9DL

Or e-mail:

pensions@rhondda-cynon-taff.gov.uk

Service Agreement Appendix C**Internal Disputes Resolution Procedures
(Copy of Scheme to be included by South Wales Fire and Rescue Service)**

Appendix D

Divorce Administration Procedures

Request for Information	Provide Information (including charges) to spouse and court within 1 month	
Draft Court Order	Respond within 21 days and request information necessary for implementation (including charges)	
Order and Decree Absolute	The effective date of the Pension Sharing Order is usually the date of the decree absolute	Transfer day
Sealed Order	Respond within 21 days and request information necessary for implementation (including charges)	
		Valuation day
Receipt of outstanding information and charges	Send implementation notice within 21 days of receipt of all outstanding information and charges	Implementation period of 4 months
Set up credit for ex spouse	Send discharge of liability notice within 21 days of setting up the credit	

Appendix E

**Advisors & External Service Suppliers appointed by the Rhondda Cynon
Taf County Borough Council in the administration of the Firefighters
Pension Scheme and New Firefighters Pension Scheme are as follows:**

Computer Software Services – Aquila Heywood Ltd, ATMOS

Appendix F

ANNUAL SERVICE COSTS

This Service Level Agreement relates to the period **1 April ?** to **31 March ?** and the costs for the provision of services provided will be **£X** and are detailed as follows:

Pensions Administration	£X
Pensions Payroll	£X

The costs are based on the following Scheme membership:

Active Scheme members	X
Pensioner members	X
Deferred Pensioner members	X
Total Membership	X

This equates to £X per Scheme member.

Payment Arrangements

Charges will be invoiced on a quarterly basis on the following dates:

Quarter 1	May
Quarter 2	August
Quarter 3	November
Quarter 4	February

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 8
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

LOCAL PENSION BOARD RISK REGISTER**THIS REPORT IS FOR DECISION**REPORT OF THE ASSISTANT CHIEF OFFICER, PEOPLE SERVICES
REPORT PRESENTED BY ASSISTANT CHIEF OFFICER ALISON REED**SUMMARY**

To consider the development of a Risk Register for the South Wales Fire & Rescue Authority Local Pension Board.

RECOMMENDATIONS

That Members consider the contents of the report and discuss the draft Risk Register at Appendix A. Risks have been compiled under the headings of:

- 1) Operational Pensions
- 2) Financial Risks
- 3) Funding Governance
- 4) Regulatory Compliance.

1. BACKGROUND

- 1.1 It is good business practice for an organisation or body to consider risk management whilst discharging its duties and take into account the risks making strategic decisions.
- 1.2 Risk is an event that has the potential to help or hinder the achievement of a strategic objective or the delivery of core business. All risks are rates as manageable (low), material (medium) or significant (high).
- 1.3 As a normal business practice within the Service, Directors, Department Heads and Team Leaders are responsible for identifying risks during the business planning process and taking the appropriate actions to manage or mitigate risk within their areas. Risks that impact upon the achievement of a strategic objective or delivery of core business are generally monitored via the Services Corporate Risk register.

- 1.4 The Senior Management Team formally reviews the Corporate Risk Register on a regular basis and endorses the inclusion of any new or emerging risks identified.
- 1.5 The Pensions Regulator states that 'Public Service Pension Schemes need to have good internal controls. They are a key characteristic of a well-run scheme and enable risks to the scheme to be managed effectively. The scheme manager must establish and operate adequate internal controls'.

2. ISSUE / PROPOSAL

- 2.1 It is proposed that the Local Pension Board establishes a Risk Register to identify and manage risks.
- 2.2 It is also proposed that for the convenience of Officers and Members that the Local pension Board Risk Register follows the format attached in the Appendices.

3. IMPLICATIONS

3.1 Community and Environment

3.1.1 There are no issues to report.

3.2 Regulatory, Strategy and Policy

3.2.1 The Pensions Regulator expects good internal controls.

3.3 Resources, Assets and Delivery

3.3.1 There are no additional financial issues arising as a result of this report.

4. RECOMMENDATIONS

- 4.1 That Members consider the contents of the report and discuss the draft Risk Register at Appendix A. Risks have been compiled under the headings of:
 - 1) Operational Pensions
 - 2) Financial Risks
 - 3) Funding Governance
 - 4) Regulatory Compliance

Contact Officer:	ACO Alison Reed Director of People Services
Background Papers	Appendix A – Draft Risk Register

THIS PAGE IS INTENTIONALLY BLANK

APPENDIX A

Risk area 1 – Operational Pensions	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
Employer fails to carry out their responsibilities for scheme administration leading to complaints from members of the scheme	2	3	6	<p>Bulletins, Circulars & updates received from Welsh Government, LGA and Scheme Advisory Boards</p> <p>Regular meetings held with Administrators to ensure that regulatory changes are actioned promptly</p> <p>Proactive and reactive Member communication and regular pension staff update sessions</p>	Scheme Manager	Ongoing	<p>Regular Local Government association interactions and information sessions attended. Welsh Government circulars and consultations on Firefighter Pension Schemes (Wales). Attendance at the LGA AGM annually.</p> <p>Meetings regularly held to ensure that both organisations are aware of all legislative changes and to encourage open discussions around day to day processes and longer term projects</p> <p>Periodic information provided to members and employees of the Service via monthly magazine, weekly routine notice, global email, in addition to targeted and individual letters etc. Pensions Team sessions held regularly held both locally and across Wales</p>
Loss of knowledge and experience within a very small group of key staff	2	3	6	<p>Business Continuity Plans</p> <p>Succession Planning</p> <p>Support from external advisers, LGA membership</p> <p>Close relationships with other Welsh Services Pension Teams</p>	Scheme Manager	Annual	<p>The People Services Directorate has a Business Continuity Plan which confirms the approach taken with regard to Pensions knowledge and information.</p> <p>The SWFRS Pensions Team comprises two individuals who are experts in their field.</p> <p>Ongoing strategic and practical support provided from the Fire Pensions Technical Lead for SW & NW. Key information shared by LGA advisors with the ability for SWFRS to ask technical queries if needed.</p>

							All Wales Practitioner Group meeting are held regularly across Wales, with sharing of information and ideas common place.
Cybercrime	3	3	9	<p>Comprehensive plans in place for protecting data, networks and devices. Compliance in managing data and infrastructure protection; multi-layered software, antivirus, firewall and anti-malware software.</p> <p>Education – clear communication strategy to all staff about internet, email usage and best practice. Clear guidelines on acceptable usage, how to detect scams, password management, systems and reporting incidents.</p>	Scheme Manager	Ongoing	<p>Both SWFRS and RCT have notable IT Cybersecurity policies in place as standard. Additionally, prescribed internal controls are in place, across both organisations to ensure data security and integrity is maintained. Any changes to these operating environments or significant incidents will be reported to the Local Pension Board.</p> <p>Staff awareness and training provided to ensure best practice with regards cybersecurity.</p>
Operational disaster (fire/flood failure of IT systems)	2	3	6	<p>Business continuity plans in place for administrator and scheme manager</p> <p>Backup and recovery procedures for both RCT Administrators and SWFRS</p>	Pension Administrator/ Payroll & Pensions Manager	Annual	The People Services Directorate has a BCP in place. Further work is required to explore the position with RCT.
Member data incomplete or inaccurate	2	3	6	<p>Data Quality assessed annually by RCT Administrators and reported to LPB and TPR</p> <p>Annual report from administrator, used as basis for rectification plan if required</p>	Pension Administrator & Pension Scheme Manager	Annual	<p>Report presented to SWFRS LPB by RCT annually.</p> <p>In the event of any material data quality issues a rectification plan to be devised with RCT and SW Pension Manager and monitored over the year.</p>
Administration process failure/ maladministration	2	3	6	Formal agreement in place with administrator, including SLA.	Scheme Manager	Annually	<p>SLA in place with RCT administrators. This is reviewed by the Local Pension Board annually.</p> <p>Regular meetings are held between both parties to ensure that no failures occur, which have</p>

				<p>Regular dialogue is maintained to highlight areas for improvement in relation to the member experience.</p> <p>Administration reports are presented to each Local Pension Board</p> <p>Internal and external audits can be undertaken with any significant issues escalated.</p> <p>Complaints addressed through the Independent Dispute Resolution Procedure</p>			<p>impact on the member experience and ongoing improvements can be discussed.</p> <p>Both organisations have and can routinely be audited, with a formal audit report provided for areas of improvement or risk, with any areas identified forming part of an agreed improvement plan.</p> <p>Firefighter Pension Schemes have a formal IDRP in place, which has legislative standing and must be followed, should a complaint be received. These cases are reported to the LPB by the Scheme Manager annually.</p>
Operational capacity to undertake remedy exercises following legal challenges	3	3	9	<p>The Service has a legal obligation to undertake the McCloud and O'Brien Remedy exercises by the statutory deadlines of March 2025 and July 2025 respectively.</p> <p>Regular reports are presented to the LPB updating on progress and any significant changes to the legislation and the consequential actions that need to be undertaken.</p>	ACO People Services	Ongoing	<p>The requirement to address the legal challenges arising from both the McCloud and O'Brien judgments places a significant burden on both the Service's Pension Team and our Administrator. The underlying processes are complex and of a manual nature and the appointment of the joint lead (collaboration between South Wales and North Wales FRSS) ensures that statutory deadlines are known. Regular update reports are presented to the LPB with issues reported to the FRA as appropriate.</p>
Failure to communicate effectively with pension scheme members	3	3	9	<p>This is addressed through a variety of methods:</p> <p>Pension Scheme Information sent to new starters, including information on transferring benefits in from their previous employer.</p>	ACO People Services	Ongoing	<p>Those wishing to transfer in pension entitlements from previous employers will be contacted by RCT administrators, who deal with this directly with the employee.</p>

				<p>Engagement with target groups on specific matters by means of Routine Notice, Intranet page, global and direct emails, monthly and annual magazines.</p> <p>McCloud and O'Brien remedy exercise information is shared with those that it impacts on directly and is targeted and appropriate</p> <p>.</p> <p>Enquires are also directly towards their My Pensions online Portal, which is managed by RCT Administrators and also the Fire Pensions Member website, which is managed and maintained by the LGA, on behalf of the sector.</p>			<p>The pension team endeavour to communicate regularly on all pension issues both proactively and reactively, should the need arise.</p> <p>All of the remedy guidance and documents can be accessed through the FPS member website. The LGA have also provided a library of template documents for the Services to use when contacting individuals.</p>
Ongoing payment to a deceased member	2	2	4	<p>Once RCT are notified that a pensioner has died, they will carry out all of the necessary checks and pick up contact with the family and cease payments. Where there is an entitled beneficiary, they will recalculate the survivors benefits and put these into payment.</p> <p>Where an overpayment is made RCT will contact the pensions team with the information, who will make a decision on whether or not to reclaim the overpayment.</p>	RCT Pension Administrators	Ongoing	There is a robust established process in place, albeit there are instances where reclaiming over paid pension is difficult. In these instances, the Service has the ability to pass this issue to a debt recovery agency, as a last resort.

Risk area 2 - Financial risks	Likelihood	Impact	Score	Current arrangements	Owner	Frequency	Comments
Additional SLA/software costs related to McCloud & O'Brien Remedy exercises	1	3	3	SLA reviewed annually by LPB for both performance and costs	ACO People Services	Ongoing	Invoices are checked when received to ensure costs are as expected. Additional costs have been incurred as a direct result of the remedy exercises, relating to software changes etc. Annual budget included in budget setting plan
McCloud & O'Brien – costs that will need to be met by the Service, that cannot be charged to the Pension Fund Account.	3	3	9	These are national exercises which are being carefully monitored via a number of mechanisms including: bulletins and circulars, updates to the FRA, dialogue with the Welsh Government, SABW discussions, regular LPB updates, national legal advice, liaison with rep bodies, engagement with Scheme Administrator and the LGA. Internal review to consider data flows and administrative burden.	Scheme Manager/H ead of Finance	Ongoing	The financial implications of the increase in Employer Contributions will be built into the scheme valuation exercise, which is undertaken every 4 years and the costs of the historic changes to scheme membership relating to the remedial years of service, will be funded by WG through the Top Up Grant process, on an annual basis. The residual risk relates to costs that cannot be charged to the pension fund and must be paid for through the Services own revenue accounts. i.e. Compensation, Interest and Tax Adjustments. Whilst WG have stated that they will not be funding these revenue costs, it is hoped that funding maybe come available in the future.
4 Yearly Pension Scheme Valuation – Risk of increased employer contributions relating to McCloud & O'Brien, in the future	3	3	9	The 2020 valuation exercise was completed in March 2024 and confirmed an increase in employer contributions from 27.3% to 31%. Some funding is anticipated, from WG, but not guaranteed	Scheme Manager/H ead of Finance	Annual	Risk outside of control of the Scheme Manager. Increased contributions will be applicable from April 2024; budgets have been amended to reflect the increase for 24/25.
Pension fund accounting for costs relating to the McCloud & O'Brien remedy exercises	2	3	6	The Pensions Team and the Finance Department are working closely together to ensure that the allocation of the related costs are recorded correctly. These will be monitored across the lifetime of the projects.	Head of Finance	Annual	Due to the complexities of the costs and charges relating to these exercises, there is a risk that costs could be recorded incorrectly, thus affecting whether funding can be utilised or not.

THIS PAGE IS INTENTIONALLY BLANK

Risk area 3 – Funding Governance	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
The frequency and cost of Ill Health Retirements from the Service increasing	1	3	3	<p>Ill health retirement pensions are monitored and factored into future valuations by the Government Actuary Department excluding Injury Awards etc.</p> <p>Occupational Health Management Board in place to review all long-term sicknesses and monitor potential ill-health retirement cases.</p>	ACO People Services	Annually	<p>The cost of early retirements by means of IH are partially funded by the Service directly and not the Pension Fund. Additional costs are charged to the Revenue account between the date of retirement and normal retirement age.</p> <p>Case history details provided, and approval given by OH Board in order for an IQMP assessment to be taken forward.</p>
Failure to deduct correct contributions from pay	1	4	4	The calculation of the employee contribution is automated within the payroll system. This system is subject to both internal and external review.	Payroll/ Pensions Manager	On going	Both the Payroll and Pensions Team are involved in the calculation of pensionable pay and the correct percentage rate applied for contributions.

Failure to manage the Firefighters Pension Fund correctly	2	4	8	Guidance is provided by the LGA and Welsh Government circulars. Training and guidance is available for Pensions and Finance teams on tax and accounting matters through LGA.	Scheme Manager	Annual	The correct management and treatment of costs charged to the Pension Fund is periodically audited by both internal & external audit providers.
Employer failure to pay contributions into scheme	1	4	4	Monthly pension contributions are paid into the Pension Fund directly from Payroll and reconciled by the Finance Team. The pension fund is subject to annual audits.	Payroll & Finance Teams	Monthly	Rigorous checks are undertaken on a monthly basis, by the Finance Team. Deductions from payroll are made automatically and charged to the Pension Fund by the system.

Risk area 4 – Regulatory Compliance	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
Compliance with regulatory changes	2	3	6	<p>All regulatory changes are published by Welsh Government through the use of formal Circulars.</p> <p>Both the FRS and the pension scheme administrators receive these circulars. Confirmation within Administrators Report that circulars have been applied is presented at all LPB meetings.</p> <p>Information on all Circulars received is provided to LPB Members at every meeting in order to keep members updated on all regulatory changes.</p> <p>Application of any legislative changes can be audited by internal and external audit to ensure that that the correct legislative approach has been applied.</p> <p>The FRS responds to all consultations relating to the Firefighter Pension Schemes and these are shared with the LPB for awareness and information.</p>	Scheme Manager	Ongoing	<p>The Service attends the Scheme Advisory Board Wales meetings and other events to keep up to date on matters around with regards legislative changes.</p> <p>The Service has access to updates provided by the LGA by means of a member area, on their website, technical log and Bluelight enquiry email.</p> <p>Attendance at the All Wales Scheme Advisory Board with joint working across Welsh FRAs.</p> <p>Also, development and appointment of an all Wales Technical Lead role to strategically support the FRs and local teams.</p>

Failure to report breaches of the law to the Pensions Regulator	1	3	3	<p>Breaches of Law training is provided as part of the TPR LPB Training package, which all LPB members are required to undertake.</p> <p>Complaints and disputes are monitored, and information received from the Service by Pension Scheme Administrators to the Local Pension Board.</p> <p>There is a requirement for any and all breaches, considered to be material, to be self-reported, to the TPR, by the Service or LPB.</p>	Scheme manager	Annual	<p>LPB Members are expected to understand when and how Breaches of the Law should be reported.</p> <p>Training on this topic is included in the TPR Online Training Package, which all LPB Members are required to undertake as part of their role on the LPB and the Service assumes that this training has been undertaken by all members.</p>
Breach of general data protection regulations resulting in complaints and claims from scheme members and their beneficiaries	2	3	6	<p>Reliance is placed on the Fire and Rescue Authority's GDPR arrangements.</p> <p>All staff receive training and are aware of their personal responsibilities in reporting any potential GDPR breaches to the Services Information Governance Team.</p> <p>Contractual arrangement with Administrator (SLA) includes GDPR clause and breaches would need to be reported to the Service.</p>	Scheme manager	Ongoing	<p>All staff have undertaken the Service's in-house training and are aware of their responsibilities regards this topic.</p> <p>Our Pensions Scheme Administrators have their own GDPR policy, with any Pensions related breaches being both reported to the regulator and the Service.</p>
Failure to interpret rules or legislation correctly	2	3	6	<p>Interpretation of pension scheme rules is down to local interpretation, which is the responsibility of the Scheme Manager for each Service.</p> <p>Each meeting of the Local Pension Board includes training for members, TPR training and educational material is available to members and training is available from the LGA, which provided on a monthly basis</p>	Scheme manager	Annual	<p>Updates are provided to members on new and emerging issues as appropriate and there is an expectation that LPB Members will keep themselves current with circulars received and changes that are publicised in order that they can support or challenge the interpretation afforded by the Service locally.</p>

				<p>online. All LPB Members are encouraged to attend as often as they can.</p> <p>Technical advice and updates are received from the LGA with regular practitioner meetings on key issues and LGA technical bulletins are published on a monthly basis.</p> <p>Additionally, Welsh Government circulars are received and reviewed.</p> <p>A joint role is in place between South Wales FRS and North Wales FRS to provide strategic and technical support and there is regular engagement between the Services, in Wales.</p>			
Conflicts of interest	1	2	2	<p>Pension board members are provided with training on Conflicts of Interest through the TPR online Training package that they are expected to undertake as part of their role on the LPB.</p> <p>They have a personal responsibility to understand what a conflict of interest is and whether they are impacted, at each LPB meeting.</p>	Local Pension Board Chair	During each LPB meeting	All pension board members have completed educational material and at the start of each meeting are asked to declare any conflicts of interest, with regards any of the agenda items to be discussed.

THIS PAGE IS INTENTIONALLY BLANK

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN

SOUTH WALES FIRE & RESCUE SERVICE

AGENDA ITEM NO 9
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

PUBLIC SECTOR PENSION SCHEME LEGISLATION – MCCLOUD & O'BRIEN REMEDY EXERCISES AND THE PENSIONS DASHBOARD PROJECT

THIS REPORT IS FOR INFORMATION

REPORT OF THE FIREFIGHTERS' PENSIONS TECHNICAL LEAD FOR SWFRS
& NWFRS, KIMBELY JEAL

REPORT PRESENTED BY ASSISTANT CHIEF OFFICER PEOPLE SERVICES,
ALISON REED

SUMMARY

To set out the statutory timelines imposed by the changes to Public Sector Pension Scheme legislation and more specifically Firefighter Pension Schemes. These are more commonly known as the McCloud and O'Brien (Matthews 2) pension remedy exercises.

In addition, the Pensions Dashboard Project, which is being implemented by the Department for Work and Pensions (DWP), is now gathering pace and Pension schemes in the Fire Sector, have been given a connection date of October 2025.

Pensions dashboards are digital services – apps, websites or other tools – which savers will be able to use to see their pension information in one place. This includes information on their State Pension. A saver will be able to use dashboards to search records of all pension schemes to confirm whether or not they are a member.

RECOMMENDATIONS

1. Note the content of the report and,
2. Note the statutory obligation placed on the Scheme Manager to ensure that these timelines are met for all 3 national projects.

1. BACKGROUND – MCCLOUD

- 1.1 Following Lord Hutton's 2011 review of public sector pensions, the Public Service Pensions Act (2013) provided the legal framework to reform public sector pension schemes. Reforms included restricting existing final salary

schemes, extending retirement ages, and introducing CARE (Career Average Revalued Earnings) Schemes.

- 1.2 In 2015 the majority of public service pension schemes were reformed to provide defined benefits, on a CARE basis, and extended the normal retirement age of members. The pension scheme regulations were amended to introduce these changes, with the amended regulations also providing protections for certain members of existing final salary schemes. This protection was age related and members reaching the normal pension age of 55 by 31 March 2012, were afforded full protection with other members receiving protection on a tapered basis depending on their age. This protection was known as transitional protection and members who did not qualify for protection, transitional or otherwise (unprotected), were moved out of their legacy schemes, into the new 2015 Firefighters Pension Scheme on the 1st April 2015.
- 1.3 In 2018 the Court of Appeal ruled that the transitional protection element, of the 2015 public service pension reforms, constituted unlawful age discrimination, in the Firefighters' Pension Schemes. This is now referred to as the McCloud/Sargeant case. On the back of this decision, the Government confirmed that it would remove the difference in treatment across all public pension schemes.
- 1.4 In October 2020 the UK Government undertook to consult the public on the way forward in relation to public service pension schemes and, in particular, how it should respond to the detail outlined in the judgement. The outcomes of the consultation were published on 4 February 2021, with an option called 'the Deferred Choice Underpin' being adopted. This means that members will make their decision between scheme benefit options shortly before their benefits are paid from the scheme, at the point of retirement. In the meantime, members will be deemed to have accrued benefits in their legacy schemes rather than reformed schemes, for the remedy period. The remedy period has been determined to be 1st April 2015 to 31st March 2022.
- 1.5 The Public Service Pensions and Judicial Offices Act 2022 (PSPJO) was given Royal Assent on 10 March 2022 and provides an overarching framework to allow public service pension schemes to remedy the impact of unlawful age discrimination.

- 1.6 There were 2 distinctly separate elements to the changes in legislation, the first came into effect on 1st April 2022 and was known as Prospective Remedy, which meant that from that date all members of the Firefighters Pension Schemes would be members of the Reformed 2015 Scheme. The 2nd was known as Retrospective Remedy, which came into effect on the 1st October 2023 and meant that those that had membership, in a Fire Scheme, during the remediable period, would be deemed to have accrued it wholly in their legacy pension scheme.
- 1.7 It is these complex changes, that fall under Retrospective Remedy, that form a large part of the national remedial exercise that is currently underway. The McCloud Remedy Exercise timelines are set out in the new legislation, and dictate that active pension scheme members, those that have already retired and member dependents must have received a Remedial Service Statement, no later than March 2025.
- 1.8 In order to facilitate progress through the project, members have been grouped into cohorts, with different milestones set and support provided nationally, by the LGA. These milestones are intended to keep the project on track, to complete on time and also assists in managing member expectations, as to when they are likely to receive information from the Service or Pension Scheme Administrators.
- 1.9 The first cohort, which are those that retired on the grounds of Ill Health or member beneficiaries, had a milestone of 31st March 2024, which is the date that the LGA set for these individuals receiving their Immediate Choice Remedial Service Statement (IC RSS). However, due to difficulties in processing these retrospective cases and clarity being sort from HMRC, around the application of tax and interest payments, the LGA have negotiated an extension to 30th June 2024. SWFRS **have 50+ individuals** that fall into this first cohort and are working with its pension scheme administrators to ensure that these individuals receive their IC RSS once these issues have been resolved. All of these member records have already been collated and submitted to RCT for calculations to be made, prior to IC RSS being sent. **The Service is awaiting confirmation from its administrators as to when it can expect that these now overdue RSS will be processed. See Appendix 1 for IC RSS Timetabling.**
- 1.10 A recent update, from the LGA, confirms that these tax and interest rate issues are still being discussed with HMT and Home Office, however confirmation has been received that there are now members that can be

processed, as they no longer fall within the "at risk" category, which significantly reduces those members that have been paused. Unfortunately, until the sector receives further clarity on the correct tax treatment, for those that remain affected, there is a considerable risk that tax calculations may be applied incorrectly. **The Service has written out to all those that remain affected, in order to keep them updated on this issue.**

- 1.11 In addition, running alongside the above work for those that have already retired, is a separate exercise which provides the same information, to the Services Pension Scheme Administrators, for advice and deferred pension scheme members. The milestones that have been attributed to these cohorts are distinctly separate and have been prioritised based on those most likely to be at financial detriment. See Appendix 2 for Deferred Choice RSS (DC RSS) Timetabling.
- 1.12 Furthermore, there was also a requirement for 2024 Annual Benefit Statements, to be provided at the end of August 2024, showing the members roll back position, for the remedial period (April 2015 to March 2022) included in the members' legacy scheme. **This affected 516 previously unprotected and taper protected members.**
- 1.13 **The statutory requirement, for the above to be achieved, was met and all pension scheme members received their Annual Benefit Statement by the 31st August 2024, as required.**
- 1.14 The Service continues to work alongside its colleagues at RCT Pension Scheme Administrators, to ensure that affected members receive the necessary Remediable Service Statements before the statutory deadline of 31st March 2025.

2 BACKGROUND – O'BRIEN

- 2.1 In April 2006, the Firefighters Pension Scheme 1992 (FPS 1992) was closed to new members, and the New Firefighters Pensions Scheme 2006 (NFPS 2007 in Wales), came into force, which enabled On Call Firefighters to become pension scheme members from that date. Although the FPS 1992 Scheme remained unchanged for those regular firefighters who were already members.

- 2.2 Historically, On-Call firefighters were excluded from the Firefighters Pension Scheme 1992 (FPS 1992), which was challenged under the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000. This resulted in a determination that enabled certain On-Call firefighters, with service between 1 July 2000 and 5 April 2006, to become members of a pension scheme.
- 2.3 Between 2014 and 2015 an options exercise was undertaken, which gave those, that were eligible, the opportunity to join the NFPS 2007. This was the first options exercise, which is often now referred to as Matthews 1.
- 2.4 More recently, this judgment was challenged, at the European Court of Justice, in relation to fee-paid judges. The Court ruled, in that case, that service going back to the start of employment should be considered and the UK government accepted that the same principles applied to certain On-Call firefighters, whether they had made a legal challenge or not.
- 2.5 As a result, a second options exercise will now take place to allow eligible On-Call firefighters to buy pension service, as a special member of the FPS 2006, backdated to the start date of their employment. As part of this exercise the following individuals are eligible for the second options exercise:
 - a. On-Call firefighters employed on any date between 7 April 2000 and 30 June 2000 (inclusive).
 - b. On-call firefighters employed on any date between 7 April 2000 and 30 June 2000 (inclusive) as well as on any date between 1 July 2000 and 5 April 2006 (inclusive).
 - c. On-call firefighters employed on any date between 1 July 2000 and 5 April 2006 (inclusive), but not on any date between 7 April and 1 July 2000, who were eligible to take part in the first options exercise but were not given opportunity to do so.
- 2.6 Of note, On-Call firefighters employed on any date between 1 July 2000 and 5 April 2006 (inclusive), but not on any date between 7 April and 1 July 2000, who were given the opportunity to take part in the first options exercise but did not choose to do so previously, are not eligible for the second options exercise.
- 2.7 On 31st March 2023, the Home Office launched a formal consultation on the Firefighters' Pension Scheme (England) 2006 for Retained

Firefighters'. The deadline for formal responses was the 9th June 2023, with the legislative changes enacted, in England, on the 1st October 2023. FRAs, in England have 18 months to undertake this exercise, however Welsh Government did not launch its consultation until 14th July 2023, with a closing date of 6th October 2023. This meant that the changes to the NFPS 2007 Wales scheme did not come into force until 1st February 2024, with an 18-month timeframe for full implementation of this project, to 31st July 2025.

- 2.8 However, there are interdependencies between the McCloud and O'Brien Remedy exercises, for some On Call firefighters, which may pose some complications in meeting these timelines, on a purely individual basis.
- 2.9 The Service has **written out to 473** On Call or previously On Call staff, to inform them that they are eligible for an O'Brien/Matthews remedy and as of mid-September, **184 individuals had formally responded**, requesting calculations on their benefits, should they decide to buy back. The timescales linked to this project can range from the individuals original start date with the Service and March 2015, with some dates as far back and the 1960s. These returns are increasing by the day and the Service has 3 months, from receipt, to provide the individuals with the necessary information.
- 2.10 WG commissioned, from GAD, a calculator that enables Services to provide information on the purchase of previous service, for those that are entitled. This process is very complex and requires salary information for each year of employment, the calculation of contributions that should have been paid, tax and interest that applies, alongside the benefits that those individuals would be entitled to receive should they proceed in buying back this service.
- 2.11 The GAD delivered a workshop session to practitioners of the 3 Welsh Services, which will shortly enable them to start to process these calculations, although again there are some tax issues that have been raised, with HMT, around the approach to calculating tax that relates to retrospective payments being made in any one particular financial year, which may have impact on an individuals tax position and rate of tax applied. To date HMRC are comfortable with the current process that is already in place and have not indicated a change in policy linked to this.

- 2.12 **As the Service has been slightly delayed in processing calculations for those expecting a response in July, August and September, letters have been sent to affected members explaining the reason for the current delay in Wales. The Service is expecting to commence this piece of work in the coming weeks.**

3 BACKGROUND – THE PENSIONS DASHBOARD PROGRAMME

- 3.1 The Pensions Dashboard Programme is a national programme that is being driven forward by the Department for Work and Pensions (DWP) and has been on the horizon since as far back as 2017. Pensions dashboards are digital services – apps, websites, or other tools – which savers will be able to use to see all of their pension information in one place. Additionally, a saver will be able to use dashboards to search the records of all pension schemes to confirm whether or not they are a member. This will also include information on their State Pension. This programme applies to all pensions schemes across the UK, whether public sector or private sector.

Dashboards aim to help members plan for retirement by:

- finding their various pensions and reconnecting them with any lost pension pots and
- understanding the value of their pensions in terms of an estimated retirement income

Local Pension Boards and Scheme Managers will need to ensure that it can connect with and supply pensions information to savers through dashboards, which is a duty required by the Pensions Dashboards Regulations 2022.

The Department for Work and Pensions (DWP) has set out a staged timetable for schemes to connect to the dashboard digital architecture. Schemes are being asked to connect over time according to their size and type. All schemes in scope must be connected by 31 October 2026 at the latest, although the Fire Sector has been given a connection date of 31st October 2025.

There is significant work involved to comply with dashboards duties and there may be a need to engage third-party suppliers to help with this work, such as administrators and/or an integrated service provider (ISP). The Service will need to work closely with its Pension Scheme Administrators

(RCT) to assess the impact of the changes and plan how it will meet the dashboard duties.

Many of the dashboards processes are still being developed and the Pensions Regulator (TPR) has advised that it will provide further guidance when necessary to reflect future developments and the industry's experience with dashboards. There may be a need to procure new services or update supplier contracts or Service Level Agreements, that might already be in place once the impact on provisions has been assessed and agreed, which in turn, may have a financial cost to the organisation. Any such potential costs are still unknown at this time.

The TPR have also been given new powers to issue compliance notices and penalties to LPBs and scheme managers if they fail to comply with pensions dashboards requirements. These include connecting and maintaining their connection with dashboards, and complying with technical, data and other standard. The TPR can also issue compliance notices and penalties to third parties where they have caused non-compliance. This may include administrators, integrated service providers and employers.

4 IMPLICATIONS

4.1 Community and Environment

4.1.1 Regular dialogue with the Representative Bodies and Service wide communications has commenced and will continue on a regular basis going forward.

Equality, Diversity, and Inclusion	No
Welsh Language	No
Wellbeing of Future Generations (Wales) Act 2015	No
Socio Economic Duty	No
Sustainability/Environment/Carbon Reduction	No
Safeguarding	No
Consultation and Communications	No
Consultation with Representative Bodies	Yes
Impact Assessment	Yes

4.2 Regulatory, Strategy and Policy

Legal	Yes	Data Protection / Privacy	No
Financial	Yes	Health, Safety and Wellbeing	No
Procurement	No	Governance & Audit	Yes
Corporate Risk	Yes	Service Policy	No
Information Management	No	National Policy	Yes

4.3 Resources, Assets, Delivery

4.3.1 Following audit of the 2021/22 accounts by the Wales Audit Office, no concerns were expressed regarding the legality or accounting methodology adopted by the Service in respect of the Category 1 ID cases (McCloud) previously processed between October 2021 and September 2023. In total 50 cases were processed under this principal.

The long term financial liabilities of implementing these remedies is still yet to be quantified with estimated costs being provided by the Government Actuary Department (GAD) and included in the Authority's Balance Sheet. It is impossible to accurately assess the final impact until the remedy exercise has been finalised. As a result, the future revenue implications for the Service cannot yet be determined.

Additionally, administrative and software costs that directly relate to these exercises do not currently form part of the Service Level Agreement and RCT Pension Scheme Administrators will pass on these linked costs as and when they are presented by the software suppliers etc.

Human Resource and People Development	Yes
Assets and Resources (Property/Fleet/ICT/Equipment)	No
Service Delivery	No
Procurement	No
Budget Revenue/Capital	Yes

5. EVALUATION & CONCLUSIONS



- 5.1 The Service has increased resource within the Pensions Team to support the work on McCloud and O'Brien, however as noted throughout this report, there are a number of issues emerging at a national level, for example the tax issues highlighted elsewhere in this report, that may impact the achievement of the deadlines set. As noted in this report, these issues may result in an extension to the deadline, however, this has not been confirmed.

6. RECOMMENDATIONS

- 6.1 Note the content of the report and,
- 6.2 Note the statutory obligation placed on the Scheme Manager to ensure that these timelines are met for all 3 national projects.

Contact Officer:	ACO Alison Reed
Background Papers	
Appendices	
Appendix 1	McCloud Immediate Choice RSS Timetabling
Appendix 2	Deferred Choice RSS Timetabling

Appendix 1 – McCloud Immediate Choice RSS Timetabling

IC cohort timetabling

October 2023 to March 2024 (Priority)

- Ill-health retirements (including re-assessments)
- Death in service beneficiaries

October 2023 to May 2024

- Ill-health retirement beneficiaries
- Unprotected and taper protected beneficiaries



October 2023 to November 2024 (Largest cohort)

- Unprotected and taper protected pensioners

January 2024 to July 2024

- Contingent decision (opt out)

www.local.gov.uk

IC cohort timetabling contd.

May 2024 to January 2025

- Protected FPS 2006 pensioners*
- *N.B: May be more likely to elect for new scheme

August 2024 to March 2025

- Protected beneficiaries (FPS 1992* and FPS 2006)
- *N.B: FPS 2015 may provide better family benefits



October 2024 to March 2025 (less likely to elect for new scheme)

- Protected FPS 1992 pensioners

www.local.gov.uk

THIS PAGE IS INTENTIONALLY BLANK

Appendix 2 – Deferred Choice RSS Timetabling



DC cohort timetabling

- October 2023 to October 2024
 - Active unprotected and taper protected members
 - Deferred unprotected and taper protected members
- April 2024 to July 2024
 - Contingent decision (opt out)
- September 2024 to March 2025
 - Protected active and deferred members

www.local.gov.uk

THIS PAGE IS INTENTIONALLY BLANK

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 10
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP)**THIS REPORT IS FOR INFORMATION**REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES
REPORT PRESENTED BY ASSISTANT CHIEF OFFICER ALISON REED**SUMMARY**

This report shares the procedures for resolving internal disputes in relation to pension matters. It also updates Local Pension Board Members on the cases that were considered under this procedure during 1 April 2023 to 31 March 2024.

RECOMMENDATIONS

1. That Members note the procedures for resolving internal disputes.
2. That Members note the cases considered under the IDRP procedure during the period 1 April 2023 to 31 March 2024.

1. BACKGROUND

- 1.1 Internal dispute resolution arrangements play an important part in the management of public service pension schemes. They enable someone with an interest in the scheme to ask for a matter in dispute to be resolved.
- 1.2 Scheme managers of occupational public service pension schemes must make and implement arrangements for resolving disputes with members and other people with an interest in the scheme.
- 1.3 Where a person with an interest in the scheme is not satisfied with any matter relating to the scheme, they have the right to ask for that matter to be reviewed.
- 1.4 A person has an interest in the scheme if they:-
 - Are a member – active, deferred or pensioner
 - Are a widow, widower, surviving civil partner, surviving cohabiting partner or other surviving dependant of a deceased member
 - Are a surviving non-dependent beneficiary of a deceased member

- Are a prospective member of the scheme
- Are a person who has ceased to be within any of the above categories; or
- A person who claims to be within any of the above categories and the dispute relates to whether they are such a person.

- 1.5 Dispute resolution arrangements generally do not apply to certain disputes, e.g. where a court or tribunal has started proceedings relating to the dispute or the Pensions Ombudsman's Service is investigating the dispute.
- 1.6 An IDRPs can be a two-stage procedure with a specified person carrying out the first-stage decision, or a single-stage procedure if this is considered more appropriate. On 10 June 2021 Welsh Government issued circular WFRSC(2021)09 which replaces the previous approach (outlined in WFRSC (09)01). Whilst amendments to the Pensions Act 1995 allowed for a single stage procedure, pension schemes have discretion to make provision for two stages. The Scheme Advisory Board in Wales discussed this but decided to retain the two stage process that is currently in existence.
- 1.7 According to the Pensions Regulator, the scheme manager must communicate information about the procedure to members and others. The scheme manager must also provide information about the Pension Ombudsman when an application is received or when notifying an applicant of the decision.
- 1.8 Appendix A attached to the report contains the current Internal Dispute Resolution Procedure (IDRP).
- 1.9 Appendix B attached to the report contains high level information in relation to the cases that have been considered under the Internal Dispute Resolution Procedure (IDRP).

2. ISSUES

- 2.1 There are no immediate issues to report.

3. IMPLICATIONS

3.1 Community and Environment

- 3.1.1 There are no community or financial issues arising as a result of this report.

3.2 **Regulatory, Strategy and Policy**

3.2.1 The requirement for a dispute resolution procedure is set out in the Firefighter Pensions schemes.

3.3 **Resources, Assets and Delivery**

3.3.1 There are no financial issues arising out of this report. However, there may be financial implications arising out of a dispute.

4. **EVALUATION & CONCLUSIONS**

4.1 An Equality Risk Assessment has been undertaken to assess the potential impact of this report. The assessment concluded that there were no immediate or long-term adverse impacts on any individual or group of personnel arising from this particular report.

5. **RECOMMENDATIONS**

5.1 That Members note the procedures for resolving internal disputes.

5.2 That Members note the cases considered under the IDR procedure during the period 1 April 2023 to 31 March 2024.

Contact Officer:	Alison Reed Director of People Services
Background Papers	Appendix A – Copy of Internal Dispute Resolution Procedure Appendix B – Cases considered under the IDR Procedure

THIS PAGE IS INTENTIONALLY BLANK

APPENDIX A**Stage One: Application**

This application may be submitted by a person (or nominated representative) who is (a) an active, deferred or pensioner member of the Firefighters' Pension Scheme, the New Firefighters' Pension Scheme or Firefighters' Pension Scheme 2015; (b) a widow, widower or surviving dependant of a deceased member of the FPS, NFPS or FPS 2015; (c) a surviving non-dependant beneficiary of a deceased member of the FPS, NFPS or FPS 2015; (d) a prospective member -; (e) persons who have ceased to be within any of the categories in (a) to (d); or (f) persons who claim to be a person mentioned in (a) to (e) and the dispute relates to whether he is such a person.

To the Chief Fire Officer, Fire and Rescue Authority

1. I wish to apply for a decision to be made, under section 50 of the Pensions Act 1995, in respect of the disagreement set out in this application.
2. I understand that an application may not be made where, in respect of a disagreement:
 - A notice of appeal has been issued under Rule H3 of the Firefighters' Pension Scheme 1992, Part 8, Paragraph 5 of the New Firefighters' Pension Scheme 2007 or Part 6, rule 3 of the Firefighters' Compensation Scheme (Wales) Order 2007 (appeal to a board of medical referees against a decision on an issue of a medical nature), or Regulation 173 Firefighters' Pension Scheme 2015 (FPS 2015), or
 - Proceedings in respect of this dispute have begun in any court or tribunal, or
 - The Pensions Ombudsman has commenced an investigation into a complaint or a dispute referred to him.
3. The nature of the disagreement is set out in the attached page(s).

Complete in all cases (in Block capitals)

Full name of Scheme member

Role and employment reference

Address of Scheme member

.....

Member's date of birth Member's National Insurance No.

Complete if complainant is not a Scheme member (in Block Capitals)

Full name of complainant

Address for correspondence

.....

Relationship of complainant to Scheme member (if relevant)

Signature of complainant (or representative)Date

Nature of disagreement

Give a statement of the nature of the disagreement with sufficient details to show why aggrieved. If necessary, continue details on to another page and attach the application form with any supporting documents.

Signature of complainant (or representative)

Date

Stage One: Letter 1**Fire and Rescue Service Headed Notepaper**

Dear *(name of complainant)*

**FIREFIGHTERS' PENSION SCHEME/NEW FIREFIGHTERS' PENSION SCHEME/FIREFIGHTERS' COMPENSATION SCHEME / FIREFIGHTERS' PENSION SCHEME 2015 (as appropriate):
PENSIONS ACT 1995, SECTION 50
Internal Dispute Resolution Procedures: Stage One**

Your application under Section 50 of the Pensions Act 1995 for a decision in respect of a disagreement was received on *(date)*.....

I intend to make a decision on the matters raised by your application within two months from the date the application was received.

If, for any reason, I am unable to issue you with a decision within this time-scale you/and your representative *(complete as appropriate)* will be sent:

an interim reply;

the reasons for the delay; and

an expected date for the issue of the decision.

The Money and Pensions Service is available to assist members and beneficiaries of pension schemes in connection with any difficulty with the scheme. The Money and Pensions Service can be contacted at: Holborn Centre, 120 Holborn, London. EC1N 2TD, Telephone 01159 659 570.

Yours sincerely,

(Chief Fire Officer or the person specified by him)

This acknowledgement letter must be sent, in all cases, where a Stage One application is received from a complainant. If there are problems with the way in which the application has been completed, then this letter should be adapted accordingly.

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Stage One: Letter 2**Fire and Rescue Service Headed Notepaper**

Dear *(name of complainant)*

**FIREFIGHTERS' PENSION SCHEME/ NEW FIREFIGHTERS' PENSIONS SCHEME/ FIREFIGHTERS' COMPENSATION SCHEME / FIREFIGHTERS' PENSION SCHEME 2015 (as appropriate):
PENSIONS ACT 1995, SECTION 50
Internal Dispute Resolution Procedures: Stage One**

Further to my letter of *(date of issue of IDRPs Stage One: Letter 1)*....., I regret I am not yet in a position to issue you with a decision.

The reasons for the delay are *(reasons)*

I expect to be able to issue you with a decision on *(date)*.

Yours sincerely,

(Chief Fire Officer or the person specified by him/her)

This letter must be sent if a decision cannot be made within two months of receipt of a Stage One application from a complainant.

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Stage One: Letter 3***Fire and Rescue Service Headed Notepaper***

Dear *(name of complainant)*

FIREFIGHTERS' PENSION SCHEME/NEW FIREFIGHTERS' PENSION SCHEME/FIREFIGHTERS' COMPENSATION SCHEME / FIREFIGHTERS' PENSION SCHEME 2015 *(as appropriate)*: PENSIONS ACT 1995, SECTION 50 Internal Dispute Resolution Procedures: Stage One

I have considered your application received on *(date)*.... for a decision to be made under Section 50 of the Pensions Act 1995 in respect of your disagreement referred to in the application.

My decision is as follows:

Give a statement of the decision and make reference to any legislation (including the relevant pension or compensation scheme orders) relied upon for the decision and also including, if a discretion has been exercised under the scheme, a reference to the provisions of the scheme under which the discretion is conferred.

If you are not content with this decision, you have a right to apply for reconsideration of the disagreement by the Fire and Rescue Authority *(complete with appropriate reference to the committee or individuals who will be responsible for Stage 2 consideration)* no later than six months from the date of this notice. A form designed for this purpose can be obtained from *(complete as appropriate)*.

The Money and Pensions Service is available to assist members and beneficiaries of pension schemes in connection with any difficulty with a scheme which remain unresolved. The Money and Pensions Service can be contacted at: Holborn Centre, 120 Holborn, London, EC1N 2TD, Telephone 01159 659 570.

Yours sincerely,

(Chief Fire Officer or the person specified by him/her)

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Stage Two: Application

If a person is dissatisfied with the decision of the Chief Fire Officer or the person specified by him at Stage 1 of the IDRPs, an application may be submitted by that person (or nominated representative) for the decision to be confirmed or replaced by the decision of elected members of the fire and rescue authority. The authority may provide for decisions to be taken by or on their behalf by one or more of their number.

To theFire and Rescue Authority

1. I am applying for reconsideration of the decision ofmade under section 50 of the Pensions Act 1995. I understand that the Fire and Rescue Authority will either confirm the decision or replace it.
2. I understand that an application may not be made where, in respect of the matter:
 - A notice of appeal has been issued under Rule H3 of the Firefighters' Pension Scheme 1992, Part 8, Paragraph 5 of the New Firefighters' Pension Scheme 2007 or Part 6, rule 3 of the Firefighters' Compensation Scheme (Wales) Order 2007 (appeal to a board of medical referees against a decision on an issue of a medical nature), Regulation 173 of the Firefighters' Pension Scheme 2015 (FPS 2015) or
 - Proceedings in respect of this dispute have begun in any court or tribunal, or
 - The Pensions Ombudsman has commenced an investigation into a complaint or a dispute referred to him.
3. I attach a copy of the notice of the decision referred to in paragraph 1 and a statement of the reason(s) for dissatisfaction with that decision.

Complete in all cases (in Block capitals)

Full name of Scheme member

Role and employment reference

Address of Scheme member

Member's date of birth Member's National Insurance No.

Complete if complainant is not a Scheme member (in Block Capitals)

Full name of complainant

Address for correspondence

Relationship of complainant to Scheme member (if relevant)

Signature of complainant (or representative) Date

Nature of disagreement

Give a statement of the nature of the disagreement with the decision made by the Chief Fire Officer or the person specified by him. If necessary, continue details on to another page and attach the application form with any supporting documents.

Signature of complainant (or representative)

Date

Stage Two: Letter 1**Fire and Rescue Authority Headed Notepaper**

Dear *(name of complainant)*

**FIREFIGHTERS' PENSION SCHEME/NEW FIREFIGHTERS' PENSION
SCHEME/FIREFIGHTERS' COMPENSATION SCHEME/ FIREFIGHTERS'
PENSION SCHEME 2015 (as appropriate):
PENSIONS ACT 1995, SECTION 50
Internal Dispute Resolution Procedures: Stage Two**

Your application for a reconsideration of a decision dated made under Section 50 of the Pensions Act 1995 by *(complete as appropriate)* was received on

The Fire and Rescue Authority or one or more of their number will consider the matters raised by your application and will confirm or replace that decision under Section 50 of the Pensions Act 1995 within two months from the date your application was received.

If, for any reason, the Authority/the members of the Authority (complete as appropriate) are unable to issue you with a decision within this time-scale you/and your representative (complete as appropriate) will be sent:

- an interim reply;
- the reasons for the delay; and
- an expected date for the issue of the decision.

The Money and Pensions Service is available to assist members and beneficiaries of pension schemes in connection with any difficulty with a scheme which remain unresolved. The Money and Pensions Service can be contacted at: Holborn Centre, 120 Holborn, London, EC1N 2TD, Telephone 01159 659 570

Yours sincerely,

Secretary to the Fire and Rescue Authority

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Stage Two: Letter 2**Fire and Rescue Authority Headed Notepaper**

Dear *(name of firefighter)*

**FIREFIGHTERS' PENSION SCHEME/NEW FIREFIGHTERS' PENSION SCHEME/FIREFIGHTERS' COMPENSATION SCHEME / FIREFIGHTERS' PENSION SCHEME 2015 (as appropriate): PENSIONS ACT 1995, SECTION 50
Internal Dispute Resolution Procedures: Stage Two**

Further to my letter of, I regret *the Fire and Rescue Authority/ members of the Fire and Rescue Authority appointed to consider the matter (as appropriate)* are not yet in a position to issue you with a decision.

The reasons for the delay are (reasons)

The panel expect to be able to issue you with a decision on *(date)*

Yours sincerely,

Secretary to the Fire and Rescue Authority

This letter must be sent if a decision cannot be made within two months of receipt of a Stage Two application from a complainant.

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Stage two: Letter 3**Fire and Rescue Authority Headed Notepaper**

Dear *(name of complainant)*

**FIREFIGHTERS' PENSION SCHEME/NEW FIREFIGHTERS' PENSION SCHEME/FIREFIGHTERS' COMPENSATION SCHEME / FIREFIGHTERS' PENSION SCHEME 2015 (as appropriate): PENSIONS ACT 1995, SECTION 50
Internal Dispute Resolution Procedures: Stage Two**

The Fire and Rescue Authority/members of the Fire and Rescue Authority (as appropriate) have considered your application received on (date)..... for reconsideration of the disagreement which was the subject of a decision made by the Chief Fire Officer/by the person specified by the Chief Fire Officer (as appropriate) under Section 50 of the Pensions Act 1995, as indicated in the notice of decision dated (date).....

The decision of the panel, made under Section 50 of the Pensions Act 1995, is as follows:

Give a statement of the decision and an explanation as to whether, and if so to what extent, that decision either confirms or replaces the decision made by the Chief Fire Officer or the person specified by him/her.

Refer to any legislation, including the FPS, NFPS or FCS relied upon for the decision and also including, if a discretion has been exercised under the Scheme, a reference to the provisions of the Scheme under which the discretion is conferred.

If you remain dissatisfied.

- The Money and Pensions Service is available to assist members and beneficiaries of pension schemes in connection with any difficulty with a scheme which remain unresolved. The Money and Pensions Service can be contacted at: Holborn Centre, 120 Holborn, London, EC1N 2TD, Telephone 01159 659 570.
- the Pensions Ombudsman, appointed under Section 145(2) of the Pension Schemes Act 1993 may investigate and determine any complaint or dispute of fact or law in relation to a scheme made or referred in accordance with that Act. He can be contacted at: 11 Belgrave Road, London, SW1V 1RB; Telephone 020 7834 9144

Yours sincerely,

Secretary to the Fire and Rescue Authority

If the application was made by a representative of the complainant, ensure this letter is copied to the representative.

Wales Fire and Rescue Service



Llywodraeth Cymru
Welsh Government

Circular

Circular number:	W-FRSC(2021) 09	Date issued:	10 June 2021
------------------	--------------------	--------------	--------------

Status:	For Action
---------	------------

Title:	Firefighter Pension Schemes: Internal Dispute Resolution Procedure (IDRP)
--------	--

Issued by:	Natalie Spiller Fire Services Branch
------------	---

Addressed to:	Please forward to:
Chief Fire Officers	FRA Chairs Treasurers Pensions Officers

Summary
This circular replaces Welsh Circular W-FRSC (09)01 and provides updated guidance on the IDRP arrangements. Draft application forms and letters relating to each stage of the IDRP process has been provided at Annex 1.

For further information contact:	
Fire Services Branch Welsh Government Rhydycar Merthyr Tydfil CF48 1UZ	Direct Line: 0300 062 8487 E-mail: fire@gov.wales Website: Fire and rescue

1. Internal Dispute Resolution Procedure (IDRP)

1.1 If a scheme member, prospective member, dependant, or other person with an interest in the scheme, is dissatisfied with a decision made by a Fire and Rescue Authority (FRA), or the failure to make a decision, there are rights of appeal available.

1.2 Each set of scheme rules contains arrangements for Internal Dispute Resolution Procedures (IDRP)¹:

Firefighters' Pension Scheme 1992 (FPS 1992) - Rule H3 of Schedule 2.

Firefighters' Pension Scheme (Wales) Order 2007 (FPS 2007) - Schedule 1, Part 8, Paragraph 5.

Firefighters' Pension Scheme 2015 (FPS 2015) - Part 12, Chapter 3, Regulation 173.

Firefighters' Compensation Scheme (Wales) Order 2007 - Schedule 1, Part 6, Rule 3.

2. Background

2.1 The advice set out in this circular has been prepared to update Welsh Government circular W-FRSC(09)01, (which reflected informal guidance from the Firefighters Pension Committee [FPSC 1/2009](#)) in respect of who each stage of the appeal should be heard by, and the relevant timescales for each stage.

2.2 The advice has been agreed by the Firefighters' Pensions Scheme Advisory Board for Wales (SABW).

2.3 Each FRA should have a process in place which determines how an IDRP will be managed.

3. Who is entitled to make a complaint under IDRP?

3.1 In respect of the Firefighters' Pension Schemes, a person with an interest in the scheme and who may use the IDRP would be:-

(a) a member – active, deferred or pensioner;

(b) a widow, widower, surviving civil partner, surviving cohabiting partner or other surviving dependant of a deceased member;

(c) a surviving non-dependant beneficiary of a deceased member;

(d) a prospective member, i.e. a person who is not currently a member and could join at their request or would be automatically admitted unless they opt out, or who may be admitted subject to the consent of the FRA;

¹ Based on the requirements of Section 50 of the Pensions Act 1995 and The Occupational Schemes Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008

(e) a person who has ceased to be within any of the above categories (a) to (d); or

(f) a person who claims to be within any of the above categories (a) to (e) and the dispute relates to whether they are such a person.

3.2 As the procedures also apply to disputes relating to the FCS 2006, they are available to employees, prospective employees, and former employees, who may be entitled to benefits under that scheme, i.e. optants-out of the main FPS schemes, and retained firefighters employed before 6 April 2006 with protected rights.

4. Representation

4.1 An application under the IDRPs may be made or continued on behalf of a person who is a party to the dispute:

(a) where the person dies, by their personal representative,

(b) where the person is a minor or is otherwise incapable of acting for themselves, by a member of their family or some other person suitable to represent them, and

(c) in any other case, by a representative they have nominated.

5. How does IDRPs apply to the FPS?

5.1 The IDRPs allows any person mentioned in paragraph 3.1 above, who has a complaint relating to the pension that is not covered by the medical appeal arrangements, to have their appeal heard by the relevant scheme manager/ authority.

5.2 Amendments to the Pensions Act 1995 made in 2008² allowed for a single stage procedure, although pension schemes have discretion to make provision for two stages.

5.3 The scheme rules do not prescribe what the dispute resolution arrangements should look like or the process to be followed, only that the member should give written notice to the scheme manager/ authority within 28 days of receipt of the determination to require the scheme manager/ authority to deal with the disagreement by means of an IDRPs. How the scheme manager/ authority then responds is a matter for guidance.

5.4 The SABW has proposed that the existing guidance on how to manage this process as set out in W-FRSC(09)01 should be maintained on the following basis:

Stage one: the appeal should be considered by the Chief Officer, or a delegated senior manager (“the specified person”), who will make a stage one decision.

An appropriate delegation would be the delegated scheme manager under rule 14(1) of the 2015 regulations³.

Stage two: the stage one decision should be agreed or overturned by the decision of a nominated panel of representatives of the FRA; noting that the panel must obtain relevant

² <https://www.legislation.gov.uk/ukpga/2007/22/section/16>

³ <https://www.legislation.gov.uk/wsi/2015/622/regulation/14/made>

advice on technical or legal issues. The panel may include elected members of the authority or any other suitable representatives. The panel may provide for decisions to be taken by or on their behalf by one or more of their number.

6. Stage one

6.1 The application should be made in writing, giving details of the complaint. A suggested format is at Annex 1.

6.2 The regulations state that applications should be made within 28 days of receipt of the determination giving rise to the dispute.

6.3 However, [TPR code of practice 11](#) which comments on the specified reasonable period, gives a period of six months and allows discretion to accept applications made outside of this time period. The guidance in W-FRSC(09)01 gave a timeframe of six months for the application and the SABW consider this to still be an acceptable timeframe.

6.4 The specified person must acknowledge receipt of the application as soon as reasonably possible, and:

(a) inform the applicant that the [Money and Pensions Service](#) (MaPS) is available to assist members and beneficiaries of the scheme in connection with any difficulty with the scheme, and

(b) give the applicant the contact details for MaPS.

6.5 A stage one decision must be provided to the complainant or their representative within two months of receipt of the application or a further letter must be sent explaining the reason for the delay and the expected date of the decision.

7. Stage two

7.1 If the applicant is dissatisfied with the decision at stage one, they can apply in writing for the decision to be reconsidered by the FRA. A suggested format is included in Annex 1.

7.2 The guidance in W-FRSC(09)01 gave a timeframe of within six months of receiving the stage one decision and the SABW consider this to still be an acceptable timeframe.

7.3 When an application is received, it should be acknowledged.

7.4 A stage two decision must be taken within two months of receipt of the application or a further letter must be sent explaining the reasons for the delay and the expected date of the decision.

7.5 When notification of the decision is sent to the applicant, it must include:

(a) a statement that the Pensions Ombudsman appointed under section 145(2) of the Pension Schemes Act 1993 may investigate and determine any complaint or dispute of fact or law, in relation to a scheme, made or referred in accordance with that Act, and;

(b) the Pensions Ombudsman's contact details.

8. Exemptions

a. IDRPs cannot be used where –

- (a) proceedings in respect of the dispute have been commenced in any court or tribunal;
- (b) the Pensions Ombudsman has commenced an investigation into a complaint made or dispute referred to him; or
- (c) a notice of appeal has been issued by the complainant in accordance with :-
 - i. Rule H2 of Schedule 2 to the Firemen's Pension Scheme Order 1992 (appeal against opinion on a medical issue);
 - ii. Rule 4 of Part 8 of Schedule 1 to the Firefighters' Pension Scheme (Wales) Order 2007 (appeals against decisions based on medical advice);
 - iii. Regulation 164 of the Firefighters' Pension Scheme (Wales) Regulations 2015 (appeals against determinations based on medical evidence), or
 - iv. Rule 2 of Part 6 of Schedule 1 to the Firefighters' Compensation Scheme (Wales) Order 2007 (appeal to medical referee).

8.2 The appeals listed in (c) above relate to a determination made by the FRA in relation to an ill-health or injury award. The FPS and FCS contain special provisions for medical opinions to be considered by the Board of Medical Referees (BMR).

8.3 However, the person may still be eligible to make an appeal on a medically-related issue other than the outcome of a medical opinion. For example, if a firefighter believes they are entitled to an ill-health award, but the FRA make a determination of an ordinary award, without seeking a medical opinion, or if the dispute is that the correct processes have not been followed.

Natalie Spiller
Fire Services Branch.

THIS PAGE IS INTENTIONALLY BLANK

Appendix B

RESTRICTED - INTERNAL DISPUTE RESOLUTION PROCEDURES

- Cases considered (stages 1& 2) in the period 1 April 2023 – 31 March 2024

Issue	Date stage 1 outcome issued	Decision summary	Date stage 2 outcome issued	Decision summary
Member querying eligibility of service (case linked to ongoing employment tribunal outcomes re: O'Brien).	19/07/23	Member informed that the case would be heard as part of the Employment Tribunal outcome.	None received	
Deferred member querying pension level.	27/07/23	Member informed pension level was correct.	None received	
Member asked for a determination following the reduction of an injury award due to receiving a "Personal Independence Payment (PIP)".	09/11/23	Complaint upheld and pension adjusted to correct level.	n/a complaint upheld	

THIS PAGE IS INTENTIONALLY BLANK

AGENDA ITEM NO 11

Scheme Advisory Board
-
Verbal Update

Author: ACO Alison Reed

THIS PAGE IS INTENTIONALLY BLANK

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 12
15 OCTOBER 2024

LOCAL PENSION BOARD COMMITTEE

PUBLICATIONS, UPDATES, INFORMATION (STANDARD ITEM)**THIS REPORT IS FOR INFORMATION**REPORT OF THE ASSISTANT CHIEF OFFICER, PEOPLE SERVICES
REPORT PRESENTED BY THE DIRECTOR OF PEOPLE SERVICES, ALISON REED**SUMMARY**

This report shares relevant publications, updates and information relating to pension matters, with Members of the Local Pension Board

RECOMMENDATIONS

1. That Members review and note the publications which are shared for information and awareness purposes. These are attached to the report as Appendix 1.

1. BACKGROUND

- 1.1 To support Local Pension Board Members discharge their duties, this report shares recent relevant publications in relation to pension matters. These are not limited to fire pensions.

2. ISSUES / IMPLICATIONS

There are no issues arising as a result of this report.

3. RECOMMENDATIONS

- 3.1 That Members review and note the publications which are shared for information and awareness purposes. These are attached to the report as Appendix 1.

Contact Officer:	Alison Reed Director of People Services
Background Papers	Appendix 1 (FPS Bulletins 81, 82, 83 & 84)

THIS PAGE IS INTENTIONALLY BLANK

Appendix 1**PUBLICATIONS, UPDATES, INFORMATION (STANDARD ITEM)**

<https://www.fpsregs.org/images/Bulletins/Bulletin-81-May-2024/FPS-Bulletin-81-May-2024.pdf>

<https://www.fpsregs.org/images/Bulletins/Bulletin-82-June-2024/FPS-Bulletin-82-June-2024.pdf>

<https://www.fpsregs.org/images/Bulletins/Bulletin-83-July-2024/FPS-Bulletin-83-July-2024v2.pdf>

<https://www.fpsregs.org/images/Bulletins/Bulletin-84-August-2024/FPS-Bulletin-84-August-2024.pdf>

THIS PAGE IS INTENTIONALLY BLANK

Forward Work Programme for Local Pension Board Committee

Expected Date of Report	Report Name	Purpose of Piece of Work	Information or Decision	Lead Director/ Contact Officer	Progress
15 October 2024	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	On Agenda
15 October 2024	Update on National Exercises	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	On Agenda
15 October 2024	Internal Dispute Resolution Procedures	Update on IDRPs cases	Information	Alison Reed	On Agenda
15 October 2024	Scheme Advisory Board Wales	Verbal update	Information	Alison Reed	On Agenda
15 October 2024	Standard item – recent publications, newsletters, information	To update Members	Information	Alison Reed	On Agenda
25 February 2025	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	

25 February 2025	Update on National Exercises	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	
25 February 2025	Standard item – recent publications, newsletters, information	To update Members	Information	Alison Reed	
18 June 2024	Appointment of new Chair and review of Terms of Reference	To appoint a new Chair to the LPB and also review the Terms of Reference for the LPB	Decision	Alison Reed	
18 June 2024	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	
18 June 2024	Update on National Exercises	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	
18 June 2024	Public Sector Toolkit	Discuss the toolkit and agree timetable for completion of training	Decision	Alison Reed	
18 June 2024	Standard item – recent publications, newsletters, information	To update Members	Information	Alison Reed	

AGENDA ITEM NO 14

**To consider any items of business that the Chairperson deems urgent
(Part 1 or 2)**

THIS PAGE IS INTENTIONALLY BLANK

1.	Apologies for Absence	
2.	Declarations of Interest	
	Commissioners are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the South Wales Fire and Rescue Authority (Exercise of Functions) (Wales) Directions 2024 and the Local Government Act 2000.	
3.	Chairperson's Announcements	
4.	To receive the minutes of;	
	Local Pension Board Committee held on 3 July 2024	3
5.	Update on Outstanding Actions	9
	REPORTS FOR DECISION	
6.	Review of Key Performance Indicators	11
7.	Local Pension Board – Service Level Agreement (SLA)	25
8.	Local Pension Board Risk Register	49
	REPORTS FOR INFORMATION	
9.	Public Sector Pension Scheme Legislation – McCloud & O'Brien Remedy Exercises and the Pensions Department Dashboard Project	65
10.	Internal Dispute Resolution Procedures (IDRP)	79
11.	Scheme Advisory Board – Verbal Update	101
12.	Publications, Updates, Information (Standard Item)	103
13.	Forward Work Programme for Local Pension Board Committee 2024/2025	107
14.	To consider any items of business that the Chairperson deems urgent (Part 1 or 2)	109