

# 16a

**Minutes of the meeting of  
Shropshire and Wrekin Fire and Rescue Authority  
Pension Board  
held via MS Teams / in the Oak Room, Headquarters  
on Friday 25 November 2022 at 1.30 pm**

**Present**

**Members**

**Employer Representatives**

Simon Hardiman	Assistant Chief Fire Officer (Service Support) (Chair of Board)	ACFO
James Walton	Fire Authority Treasurer	JW

**Member Representatives**

Matt Lamb	Fire Brigades Union (FBU)	ML
Steve Morris	Fire Brigades Union (FBU)	SM

**Officers**

Helen Scargill	Client Relationship Manager, West Yorkshire Pension Fund (WYPF)	HS
Matt Mott	Governance and Business Development Manager, WPPF	MM
Wendy Edwards	Human Resources Manager	WE
Lynn Ince	Executive Support Officer	ESO

**1 Apologies for Absence**

Joanne Coadey, Head of Finance  
Tony Talbot, Fire and Rescue Services Association (FRSA)

**2 Conflicts of Interest**

Board Members were reminded that they should declare any interests or responsibilities, which may lead to conflicts of interest in the subject area or any specific agenda items for this meeting.

None were declared

**3 Minutes and Action List**

**3a Minutes**

**Resolved** that the minutes of the Pension Board meeting, held on 23 May 2022, be agreed and signed by the Chair as an accurate record of the meeting.

### **3b Pension Board Action List**

Progress on the Actions List is recorded on that document.

**Resolved** that the Board note the progress recorded against the actions on the Action List.

### **4 Contract Management Update and Issues**

There are no issues identified from the Service's end.

The only issue identified from WYPF relates to a 'depth of knowledge' issue which can make queries more complex to respond to.

### **5 Update from Pension Administrator**

HS gave an update on behalf of WYPF, including a summary of the monthly client reports for June, July, August, September, October and November 2022. HS highlighted, in particular, the following points from the November report:

#### **Completed Work and Work in Progress**

- The report format has been changed in November with the information in the report being put in a more logical order starting with what has been done and processed in October.
- Most activities undertaken are 100% on target but there are two deferred benefits that have not met the 20-day deadline. This is probably because of member information queries but there is no effect on members.
- Two Pension estimates have been done and there is also one that is 50% complete
- Do need to keep perspective on the number of cases concerned when looking at performance for the month
- Information on work completed and in progress will be included in every report along with data on work that is outstanding.
- Outstanding Work Pending relates to cases that are waiting for information. This could be for a variety of reasons that are not necessarily related to the Service.

#### **Member Web Registrations and Scheme Membership Numbers**

- Page 6 of the report shows the numbers of Members signed up to the portal. Registered numbers are increasing steadily.
- Membership numbers, as given on page 7 of the report show two active members for the 2006 Scheme. These are Members with outstanding queries, and these will disappear eventually, as and when those queries are resolved.

#### **Scheme Advisory Board (SAB) Bulletins**

- Section 5 of the report is a duplication of SAB bulletins highlighting, in red, where action by the Fire and Rescue Authority is required.

## **Administration Update**

- WYPF will be in touch regarding TPR return although this is believed to have been done for this Service
- At the last Fire Client meeting, there was a discussion about the inclusion of breaches data in the monthly report. WYPF are working on the provision of this information in future reports.
- **Fire Pension Scheme AGM**
  - Cybersecurity was one of the topics covered at the AGM in London. WYPF's confidential cybersecurity document is available on request if required.
  - The Service should have received a letter from the SAB about Pension Dashboards. The blue text on page 16 of the report sets out the actions that WYPF are taking to comply with the requirements but the ultimate responsibility for this lies with the Scheme Manager. The Board may want to ask for an update on the Pensions Dashboard before its next meeting.
  - HS is working through the LGA list of discretion to update / colour code as required. The colour coding will identify those discretions which need further work, those that require a policy and proper discretions; and those where the discretion should be delegated to administrator. There will also be a group where the discretion is unlikely to occur, and which therefore do not require a policy; it will however be stated that such discretions will be dealt with on a case-by-case basis.

SH commented that this gives a level of consistency across the sector and if every Fire and Rescue Authority signs up to delegated powers then this makes things easier for WYPF for example with the closing and opening pension accounts.

- The new TPR Code of Practice, which combines various codes into one document, is currently in draft on the TPR Website and is expected to come into effect sometime in the New Year.

Once the new Code has been issued, WYPF will liaise with TPR to organise a virtual presentation on the impact of the new Code. The presentation will be open to Board members and relevant officers.

## **Communications Update**

- The report includes signposting to the Pensions and Lifetime Savings Association (PLSA) website 'made simple' guides
- National Fraud Initiative submissions have been completed for all FRAs.

## **Key Performance Indicator (KPI) Reporting**

MM explained that changes have been made to the KPIs and the new format will be in the December 2022 report. Each KPI has been reviewed and made consistent in process and end-to-end.

Data has been cleansed to ensure that only active days are being measured. This includes days where the query has been returned. A few more 'tweaks' will be made to the KPIs at the beginning of 2023

These changes will cause a small drop in KPI performance; scores will not be as high as previously but will not fall off a cliff. The benchmark is 85% and are still achieving an average of 88%.

This work has been undertaken to make the KPIs more consistent, accurate and transparent; and to give better ways of assessing and reporting performance against KPIs. SH responded that the Service is happy with explanation given for the changes.

#### **Five Year Audit Plan 2019-2024**

This sets out WYPF's five-year audit plan and shows when External Audit will audit the Fund. MM thinks that a new audit plan is due but needs to confirm this. The Audit Plan gives the FRA assurance that WYPF are audited and that external measures are in place, with Audit reports being at the relevant client meetings.

#### **Overriding Disclosure Time Limits**

If the Limits set out in Section 12 of the report are not met this would constitute a breach by WYPF. If this breach is immaterial, it would be reported to the FRA and logged in the Breaches Register, if it was deemed to be a material breach, then a decision would be required as to whether the breach should be escalated to TPR.

#### **Calendar of Events**

The calendar of activities at Section 13 of the report is included to give the Board an indication of WYPF's global activity, which the Board can then challenge the Fund on.

ML commented that this the first Board meeting since the reports were issued and there was a lot of reading.

**Action: ESO to send monthly report to Board Members as they are received.**

ML also asked for information to be provided to Scheme Members about accessing the WYPF website as there has been some feedback from retired members about this. It was agreed that it would be better if this information is shared with retired members sooner rather than later.

**Action: information about WYPF website to be included in retired members newsletter.**

ML also referred to data on pending and active days and said that he is more concerned that the total time is accounted for and measured overall, with overall delays being measured in total. MM explained that they are KPIs primarily so are showing performance against the work provided.

MM suggested that there should also be performance measurement on the FRA side as he is conscious that WYPF can only measure the time that has the files to work on.

HS suggested that the Service could consider creating a flowchart for processes which would set out the stages of the process together with timescales for Members. WE responded that this would be a perfect solution in an ideal pension world, but the HR Team are still very much in their infancy with Pensions and are still trying to determine what they need to do. HS suggested that the flowchart could include a caveat about the current circumstances. WE explained that a lot of Pension queries do come through HR and the Team do try to manage individual expectations as these queries are received.

**Action: MM to include a full list of KPIs with the next report including target days and percentage targets for each KPI.**

ML commented that he thinks this would be helpful but for the purpose of Board Members having a flowchart etc does not provide the complete picture, so Service performance needs to be measured as well.

**Action: Pensions performance measures and management tool to be developed in Service**

Referring to Section 3 of the October 2022 Report, ML asked for further information on IT and Civica and the systems for dealing with McLeod and Sargeant. MM explained that Civica is the administration system for the Local Government Pension Scheme (LGPS) and Fire Pension Schemes. Civica are developing a McLeod option for LGPS first, Fire will be developed second and may require more manual input. WYPF can largely operate independently from Civica for McLeod LGPS issues.

Fire schemes are more complicated for the age discrimination remedy as there is a requirement to hold all calculations. These all have to be rebuilt to ensure they are picking data up from the correct part of the system.

Matthews will be dealt with by the FRA directly and will pretty much be a manual process. The difference is between the Schemes rather than the judgment.

**Resolved** that the Pension Board note the updates from the Pensions Administrator

## **6 Pension Board Chair's Report 2022**

The Board was asked to agree its Annual Report 2022 which will be presented to the December meeting of the Fire Authority's Standards, Audit and Performance Committee.

SH presented the report and highlighted the section on membership of the Pension Board. He also highlighted the changeover of Pension Administrator to WYPF and the work that is ongoing in relation to this and the movement of relevant data.

The Board raised the following points about the report

- The LGA Appeal referred to on page 3 of the report was about the 'blame' of the case rather than a substantive issue. The original court judgment was given in December 2018 and the appeal ruling was in 2019. The report will be amended to reflect this.
- The NFCC were not involved in the original framework discussion, so this needs to be removed from the report.
- "...and their legal advisors" needs to be added to that sentence also
- There is an issue with tax relief and unauthorised Immediate Detriment payments to CAT 1 individuals. This section of the report will be extended out to say that there is a potential risk to tax charges for individuals (CAT 1) and Authority

**Resolved** that the Board agree the Pension Board Annual Report 2022, subject to the amendments highlighted

## **7 Training**

**Action: ESO to send training link out to Members**

**Action: Training to be included agenda for next Board Meeting – short session on Matthews issue.**

## **8 Pension Board Risk Register**

The Board discussed and agreed the following updates to its Risk Register:

### **ID 1 – Failure to issue Annual Benefit Statements when required by legislation**

The Board felt that this risk had reduced as WYPF generally do not have any issues with meeting the 31 August deadline and suggested that the status of the risk be reduced to green. The Board felt that the likely impact score for this risk had been measured more highly than expected and that there was a low chance of reaching the point of where this would need to be reported to TPR.

**Action: risk status to be changed to green**

**ID 11 – Poor communications between key personnel (Board, scheme manager, administrator, payroll etc)**

The Board felt that it was now in a stronger position in relation to this risk as the relationship with WYPF is starting to mature.

**Action: risk status to be changed to green**

**ID 13 – Systems failures (IT, payroll, administration systems etc**

WYPF confirmed that they do have a Business Continuity Plan which they can share with the Service.

**Action: risk status to be amended to green**

**ID 14 - Cyber risk**

As mentioned earlier in the meeting, WYPF do have a confidential cybersecurity policy which they can share if required.

JW said that he thinks that the procurement process for the change of provider should have required a BCP and a cyber plan to be in place.

**9 Breaches Register**

There have been no breaches in the period since the last meeting of the Pension Board.

**10 Register of Internal Disputes**

**Resolved** that the Board note the update on the Register of Internal Disputes and that there have been none in the period since the last meeting of the Pension Board.

**11 Any Other Business**

**Helen Scargill**

- WYPF has appointed a new Managing Director, Ewan Miller, who was previously Assistant Director at Greater Manchester Pension Fund.
- WYPF has Pension Fund Representatives who work with clients for the LGPS. There is now a Representative for Fire Pensions, David Paddington, who can provide additional support to FRAs.

**Matt Mott**

WYPF will try to include breaches information going forward but a formal way of recording and reporting these needs to be developed.

**Simon Hardiman**

SH will be stepping down from the Pension Board as he is moving into a new role from 2 January 2023. A temporary successor will be appointed to SH's current role and will take on Pension Board

## 12 Meeting Dates

**Action: ESO to set dates for 2023 – meetings to be held in March, June, September and December**

The meeting closed at 3.15 pm

Chair.....

Date.....