

Warwickshire Fire and Rescue Local Pension Board of the Firefighters' Pension Scheme

Monday 5 June 2023

Minutes

Attendance

Committee Members

Martin Reohorn (Chair)
Councillor Brian Hammersley
Caroline Jones
Paul Morley

Officers

Liz Firmstone, Service Manager (Transformation)
Victoria Jenks, Pensions Admin Delivery Lead
Jan Cumming, Senior Solicitor and Team Leader
Lisa Eglesfield, Team Lead Benefits
Andy Carswell, Democratic Services Officer
Martin Griffiths, Technical Specialist Pensions Fund Policy and Governance

Others Present

Helen Scargill, West Yorkshire Pension Fund

1. General

(1) Apologies

Apologies were received from Sally Waldron.

(2) Board Members' Disclosures of Interest

There were none.

(3) Public Minutes of the Previous Meeting

The minutes of the meeting held on 15 February 2023 were approved as an accurate record, subject to a small amendment in the minute relating to the Risk Monitoring report regarding a collective claim.

2. Administration update - 1st year review

The item was introduced by Vicky Jenks (Pensions Admin Delivery Lead), who explained the purpose of the report was to review the first year of the pensions administration partnership with the West Yorkshire Pension Fund. In particular the report showed progress being made regarding the submission of pay information to West Yorkshire by WCC payroll and the ongoing work relating to reconciliation of pensioner payments and overall delivery of services.

Responding to a question from the Chair, Vicky Jenks said it had taken slightly longer than anticipated to embed the new payroll process and additional training had been required. There had also been some adjustments needed to account for how West Yorkshire required data to be submitted and the work to correct any errors on the monthly extract reports. Generally however the service was now working as expected as new routines are becoming the norm and the backlog of monthly payroll reports had been caught up on. This was confirmed by Helen Scargill, who said the West Yorkshire Pension Fund was receiving the data in a timely manner and it was now the data that had been requested. Helen Scargill confirmed that the service was working well however the unexpected work due to the mismatch between the data held by admin and payroll for pensioners, had led to records needing to be checked to confirm the correct information.

Paul Morley noted an item had been raised and discussed in detail at a recent conference regarding data accuracy, and asked if it was worth having a standing item at future meetings on data accuracy in case it was a significant issue. Councillor Hammersley asked for clarification on whether issues relating to data were due to system or human error. Vicky Jenks said firefighter pension schemes consisted of ten different categories that had different regulations, which made them complex to administer, and errors could be caused by the software and by the wrong indicators being inputted manually. She said part of the reason for having the partnership with the West Yorkshire Pension Fund was to provide greater resilience and staff knowledge of pensions administration. It was hoped the improvements in data quality would continue as the partnership developed over time, although it was accepted there may be some further historic issues that would need resolving in the future. The Chair said the Hereford and Worcester Fire and Rescue Service had noticed a similar pattern when its pension scheme started to be administered by West Yorkshire.

Paul Morley accepted pensions administration was becoming increasingly complex and stated his belief the West Yorkshire Pension Fund were providing a good service. However he said the errors from the various sources could accumulate and become a greater issue affecting people's pensions that could significantly impact payment of pensions due in the future. He said he had been contacted by some scheme members who had noticed problems with their pension contributions deducted from their pay. Liz Firmstone (Service Manager – Transformation) said she would liaise with Paul Morley about those issues to see if any training needed to be implemented between fire pensions and payroll to address the issues at source. Vicky Jenks said data quality was on the risk register as it was a known ongoing issue where improvements needed to be made. Councillor Hammersley said monitoring would help pick up on any regular trends that could be corrected at source.

The Chair said there should be a short item on the agenda of the next meeting providing an update on issues relating to data quality and accuracy, including the source of the problems and what had been done to rectify them. This would be done as a summary and would not go into detail of

individual cases. This report would be done on a trial basis to see if it needed to be provided as a standing item at all future meetings.

Vicky Jenks also drew members' attention to the report referring to two KPIs that had not been delivered, although neither of these were considered to be concerning matters.

3. Governance and Policy Update

The item was introduced by Vicky Jenks. She reminded members the Home Office had published a consultation on the firefighter's pension scheme and remedial service regulations on 28 February 2023. This had closed on 23 May and a note had been circulated to stakeholders notifying them of this. This consultation is for the second part of the remedy that is required to rectify benefits and give members the deferred choice option when they retire, namely whether to take legacy (final salary) benefits or Reform (CARE) benefits for the remedy period from 1 April 2015 to 31 March 2022) Vicky Jenks said the LGA had raised questions about the consultation as some of the draft regulations do not appear to deliver what is expected.

A consultation on the second retained modified exercise was ongoing.

There had been changes relating to tax announced in the most recent Budget. These have been communicated with active members who would be affected by the changes. Vicky Jenks said the Council had so far only communicated with current active members using the internal email facility. Information had not yet been shared with deferred members. It was not known if the information would be included on the annual benefit statements for deferred members. Some benefit calculations (transfers) had been suspended while the administrators waited for new factors to be released.

The Chair said the LGA response to the remedy consultation appeared to say that immediate detriment that had been paid prior to remedy had not been adequately dealt with. Vicky Jenks said the Warwickshire Pension Fund would continue to monitor any developments relating to the remedial scheme.

The retained firefighters pensions consultation would be closing on 9 June. It was likely anything the Warwickshire Fire and Rescue Service had to say in relation to this would be a duplication of the LGA submission. The Fund would look out for any response from the LGA on this consultation.

4. Risk Register

Vicky Jenks told members a new item had been added to the risk register specifically relating to the second modified exercise for retained, because there was a risk with that project as the Council may not have all of the pay data required to calculate someone's benefits. Associated to it was the risk that the Council had not been able to get in contact with all those in scope, and how this could affect delivery of the project. This piece of work would need to be completed by the members of the Pensions Administration team at Warwickshire as the West Yorkshire Pension Fund did not have access to the pay data for people who were not currently in a pension scheme. Vicky Jenks said a project team was in the process of being established to consider what needed to be done and how it would be delivered, drawing on lessons learnt from the first modified exercise. It was likely there would be sufficient resources within Warwickshire to complete the project.

5. Forward Plan

Following discussions it was agreed that training relating to the modified scheme be deferred until November, as the regulations were not due to take effect until after the next scheduled round of training in September. It was agreed to hold an overview session and a technical session at a later date.

Vicky Jenks acknowledged Councillor Hammersley was still in need of new member training. Sally Waldron would also require this training, but there was also still a vacancy on the Board. It was agreed the new member training would take place after the position had been filled. The Chair said two new members had recently joined the Board at Hereford and Worcester, and suggested a joint training session involving them as well.

6. Any Other Business

There were no additional items to discuss.

7. Future Meeting Dates

Members noted the future meeting dates.

The meeting rose at 2.39pm

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Chair