

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

17 June 2024

## Fire Pensions Administration Update

### Recommendation

That the Warwickshire Fire and Rescue Local Pension Board notes and comments on the matters in this report, in particular, the administration report provided by West Yorkshire Pension Fund (WYPF) dated April 2024 covering the work they have undertaken to administer the Firefighter Pension Schemes for Warwickshire Fire and Rescue Service (WFRS).

### 1. Executive Summary

- 1.1 From 1 April 2022, WYPF have provided the pension administration service for WFRS. As part of this service a monthly report is provided by WYPF, which gives details of the work they have undertaken, key performance indicators, and other relevant information regarding the membership of the Firefighter Pension schemes.

### 2. Financial Implications

- 2.1 None arising directly from this report.

### 3. Environmental Implications

- 3.1 None arising directly from this report.

### 4. Supporting Information

- 4.1 The latest report provided by WYPF is for April 2024 and is attached at Appendix 1.
- 4.2 The report has been shared with stakeholders at the Council.
- 4.3 In relation to KPIs, all have been delivered within the target timescales.
- 4.4 There were no breaches to report during the last quarter.

## **Second Retained Exercise**

- 4.5 On 1 October 2023 the Firefighters' Pension Scheme 2006 (England) (Amendment) Order 2023 came into force. This enables Retained Firefighters to buy back pension service in the 2006 scheme prior to 01/07/2000 if they meet certain set criteria.
- 4.6 A notification was sent out to those in scope notifying them of the options exercise in December 2023. A further reminder was issued to identified members using the address data we hold in March 2024. For those where no response has been received by 31 May 2024 (currently 56 cases), the Fund will use the Department for Work and Pensions (DWP) tracing service. The administration team are also looking to contract services from a tracing company for the national Pensions dashboard project which will be used to identify members that did not respond to the DWP tracing.
- 4.7 The service currently has 9 notification letters returned 'gone away' which will require tracing with DWP.
- 4.8 There are currently 55 members who have returned forms to express an interest in purchasing service. Options for these members have been determined using the calculators made available. The calculations are being reviewed and addressing any known errors with the calculators in advance of communicating pension options with prospective members.
- 4.9 The work for this exercise must be completed by April 2025.

## **McCloud**

- 4.10 The Council's payroll team have worked on collecting data needed by West Yorkshire Pension Fund for the McCloud age discrimination remedy this quarter. This has included calculations in relation to scheme contributions for the remedy period, taking into account the need for tax relief and interest.
- 4.10 The government issued a pause on the processing of Immediate Choice retirements under the age discrimination remedy in February due to uncertainty around elements of the calculation. In late March the Local Government Association (LGA) issued a paper outlining three options open to Fire Authority's to process cases in scope for Immediate Choice retirements. The scheme manager for Warwickshire has chosen to implement option three which is to lift the pause and instruct administrators to pay the arrears of pension/lump sum then put the pension right going forward but exclude interest on such arrears for the time being.

## **Temporary Promotions**

- 4.11 In 2015, the new fire pension scheme regulations came into force. The regulations included a change concerning temporary promotions, which were no longer included in pensionable pay. Pension contributions (and therefore

pension) should instead be calculated based on the member's substantive pay.

- 4.12 The County Council's Payroll team have identified approx. 100 people who have had pension contributions taken incorrectly on the temporary promotion instead of substantive pay at some point from 01/04/2015 onwards. These members are owed a return of the contributions they have paid in error.
- 4.13 After consultation with the LGA and the scheme manager, HR and Payroll are now beginning to refund the contributions owed to the affected members. Consideration has been given to how the age discrimination remedy may impact these members and this was communicated in May 2024.
- 4.14 Warwickshire HR and Payroll teams are liaising with West Yorkshire Pension Fund to ensure corrected data is provided for pension calculations for any affected members.

## 5. Timescales associated with the decision and next steps

5.1 None

## Appendices

Appendix 1 – April 2024 monthly report.

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: Cllrs Dahmash and Gifford