

Warwickshire Local Fire Pension Board Annual Report 2022/23 & 2023/24

Report by The Independent Chair

Purpose of Report:

To report to board members on the activities of the Warwickshire Fire and Rescue Local Pension Board of the Firefighter's Pension Scheme and the Scheme Manager in 2022/23 and 2023/24.

Background

The Public Service Pensions Act 2013 introduced a framework for the governance and administration of public service pension schemes, including the establishment of Local Pension Boards.

The Warwickshire Fire and Rescue Local Pension Board of the Firefighter's Pension Scheme ("the Board") was thus established. The Terms of Reference for the Board were last approved by Council on 1st July 2021.

A Scheme Manager must by law be appointed for the Firefighter Pension Schemes. For Warwickshire, the Scheme Manager is the Council's Section 151 Officer. Under the Council's scheme of delegations, the role of Scheme Manager has been delegated onwards to the Assistant Director of Finance. The change was discussed with the Fire Pension Board in the meeting 12 February 2024 in the Governance and Policy update. The change was from the Chief Fire officer to the Executive Director for Resources and was approved by the Staff and Pension committee on 4th March 2024

Report

1. Board Membership

- 1.1. The Board is made up of an equal number of employer and employee representatives, with an additional Independent Chair appointed directly by the Council. Mr Martin Rehorn has been the Independent Chair for the whole period.
- 1.2. There was one change of Board members during 2022/23, where Barnaby Briggs retired from service and stepped down from the board.
- 1.3. There was one change of Board members during 2023/234 where the board welcomed David Vazquez as a new member. There are currently no vacancies.

2. Format of meetings

- 2.1. Meetings are held four times a year on a quarterly basis with an agreed programme of reports.
- 2.2. Meetings are held normal held virtually and advertised on the Authority's website, with one meeting a year being held in person. There have been no members of the public attending meetings to date. The meeting agenda and papers, together with the minutes of the previous meeting, are published on the Authority's website 5 days prior to the meeting date.

- 2.3. In 2022/23 one meeting had to be rescheduled as it was not quorate, but overall attendance for the four meetings that took place was 75%. For 2023/24 attendance had dropped to 54%.
 - 2.4. Board members are required to declare any potential conflicts of interest to the Scheme Manager prior to each meeting, in line with the Local Firefighter Pension Board's Conflicts of Interest Policy.
3. Training
- 3.1. The Pensions Regulator has published a Code of Practice for the governance and administration of public service pension schemes and this code sets out the requirement for Board members to achieve and maintain knowledge and understanding sufficient to enable them to carry out the role of Board member. Board members and supporting officers have been made aware of the Code and its requirements
 - 3.2. There have been several training opportunities for the Board, including:
 - 3.2.1. Introduction to the Fire-fighters Pension schemes
 - 3.2.2. McCloud/Sargeant
 - 3.2.3. New Member Training
 - 3.2.4. online training available on the Pension Regulator website which members of the Board are encouraged to complete.
 - 3.3. Each Board member has completed a training needs analysis and the Board has a Training Policy. A record of all training is maintained by the Scheme Manager.
 - 3.4. In addition, the Board Chair regularly attends national LGA Pensions Board events, including the October AGM.
4. Board Activity
- 4.1. Since the Local Firefighter Pension Board was set up in 2015, the work of the Board has been shaped by the Board members and by Officers supporting the Board.
 - 4.2. The overhaul of the governance arrangements for Firefighter Pension Schemes has continued including a review of policies and training for members of the Board.
 - 4.3. The Board receives regular reports including
 - 4.3.1. a report from the Pension Administration Team.
 - 4.3.2. review of Scheme statistics
 - 4.3.3. updates on data quality measures – in line with the Pensions Regulators requirements
 - 4.3.4. updates on current pension issues.
 - 4.3.5. the Fire Pension Risk Register.
 - 4.3.6. overview of IDRPs cases (but not individual cases) and any breaches (none requiring attention in these years)
5. Current Issues
- 5.1. Pension Scheme Administration.
 - 5.1.1. Following the formal procurement process, Pension Administration and pensioner payroll services, were transferred to West Yorkshire Pension Fund (WYPF) from 1st April 2022. The Board monitored progress on these new arrangements in 2022/23 and 2023/24.

5.2. McCloud Remedy

5.2.1. The Board received updates on the progress of legislation, the implications for the Scheme and Scheme Members and the Scheme Managers preparedness.

5.2.2. The Board has sought assurances that the Scheme Manager has properly considered its approach in the light of Home Office, Treasury and HMRC advice; and the legal consequences and potential costs and risk of any actions.

5.2.3. It is inevitable that different Scheme Managers will reach different conclusions but the Board is content that this Scheme Manager has properly considered all the factors and therefore reached a valid conclusion.

5.3. Second Modified Exercise (Matthews)

5.3.1. The Board has monitored the Scheme Managers preparedness for this second round of access to the modified scheme.

5.3.2. Prior to full details being available in October 2023, general processes and principles can be established, particularly where tasks cannot be undertaken by WYPF (e.g. where potential scheme members do not currently have a pension record).

5.3.3. In 2023/24, once Regulations were laid, the Board received updates on the Scheme Managers progress in implementing the Exercise as guidance and other information became available.