

Report to West Sussex Fire & Rescue Service Local Pension Board 2024

8 October 2024

Administration Procedures and Performance

Report by Chief Fire Officer (Scheme Manager)

Summary

Pension Administration services have been provided by Hampshire County Council since 4 March 2019. The following are highlighted:

- There were 1,754 members in the West Sussex Firefighters Pension Schemes on 31 August 2024.
- Over the past 12 months, 106 casework items were completed by the team, and all are with the service level timescales. On 31 Aug 2023, 12 casework items were in progress with the team, West Sussex County Council, members or other third parties.
- 60% of members have registered to use the Member Portal which allows access to Annual Benefit Statement or payslips and the opportunity to update personal details. During the past 12 months, members have logged into the portal 1,403 times.
- On 1 October, changes to the Regulations to facilitate the McCloud remedy became effective. Alongside retirement casework, the focus is on providing the immediate choice (IC) Remedial Service Statements (RSS) for the first two cohorts of firefighters (ill health and the beneficiaries of deceased members) and providing Deferred Choice (DC)-RSS by 31 August 2024.
- The Fire and Rescue Authority is also required to provide the option to retained Firefighters to join the Firefighters Pension Scheme (Matthews 2). Expressions of Interest have been received from individuals and are being worked through by the team.

The Local Government Association (LGA) issue a bulletin at the end of each month which provide information about key events, changes to Regulations and guidance. These have been summarised as an Appendix.

Recommendations

- (1) The update is noted.
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1 Background and context

- 1.1 Hampshire County Council provides the Pension Administration Service for West Sussex County Council. The administration team work closely with the West Sussex Pensions Team and West Sussex County Council payroll.
- 1.2 The purpose of the Board is to assist West Sussex Fire and Rescue Authority in its role as a scheme manager of the Fire Fighters' Pension Scheme including to assist with improvements to customer service, monitor performance against indicators and assist with the development of improved administration and governance structures and policies.
- 1.3 The Pensions Board risk register recognises the following:
 - The risk that partnership expectations not met in delivery of administration service.
 - The increased resource associated with Scheme changes (O'Brien/Matthews, McCloud, Cost Cap)
 - The importance of data quality
 - A dependency on West Sussex County Council's payroll team.

2 Administration Dashboard

- 2.1 A dashboard showing key information in relation to the West Sussex Firefighter Pension Schemes has been included in Appendix A.

3 Regulation and Guidance updates

- 3.1 The Local Government Association (LGA) issue a bulletin at the end of each month which provide information about key events, changes to Regulations and guidance. The work of the Fire LGA team provides support to the Fire sector nationally and ensures that, as much as possible, there is a consistent approach for Fire and Rescue Authorities to adopt. A summary of the items included are shown in Appendix B.

4 Project Work: McCloud

- 4.1 Since July 2019 work has been underway to fix the discriminatory protections given to members of the existing schemes (FPS 1992 and FPS 2006) when the Firefighters' Pension Scheme 2015 (FPS 2015) was introduced. This work has been undertaken at a national and local level in advance of 1 October 2023, when the Police and Firefighters' Pension Schemes (Amendment) Regulations 2023 came into force.
- 4.2 A highlight report has been provided as Appendix C1.
- 4.3 To support the McCloud Remedy work, each Scheme Manager must determine a Contingent Decision Process. A contingent decision is a decision taken by a member, relating to their membership of the Firefighters' Pension Scheme (FPS), that would have been different had it not been for the discrimination identified by the courts. For this policy and process the decisions relate to:
 - **Opt-Outs:** A Member who would not have opted-out if they had been allowed to remain in the Legacy Scheme (FPS 1992/FPS 2006) beyond their

transition date or if protected Members had been allowed to join the 2015 Reformed Scheme from 1 April 2015.

- **Additional Service:** Members argue they would have purchased (more) additional service if they were in the Legacy Scheme.

4.4 In line with the Constitution, the Process has been agreed by the Chief Fire Officer in consultation with Director of Finance and Support Services. It is being shared with the Board for any feedback (Appendix C2). Member guidance is referenced in the Process document. In addition Scheme Manager guidance can be found on the national Firefighters Pension Scheme website - [Age discrimination remedy - Contingent Decisions guidance v1.7 \(fpsregs.org\)](https://www.fpsregs.org/)

5 Project Work: Matthews

5.1 A [Memorandum of Understanding \(MoU\)](#) was agreed in March 2022 to provide a remedy to eligible retained firefighters by offering access to the Firefighters Pension Scheme 2006 as special members, backdated to the start date of their employment. The MoU set out the scope and mechanism for the remedy to be implemented by way of a second options exercise.

5.2 A highlight report has been provided as Appendix D.

6 Project Work: Annual Benefit Statements

6.1 Under the Regulations, Scheme Managers of public service pension schemes must provide all active and deferred members with an annual benefit information statement by no later than 31 August of the year following the period to which the statement relates.

6.2 In addition, all members should receive a combined Annual Benefit Statement/Remediable Service Statement (ABS/RSS) by 1 April 2025; however, where possible this will be included by 31 August 2024. The ABS/RSS provides members with the current value of both their legacy final salary benefits and their reformed FPS 2015 benefits for the remedy period as well as projected benefits to normal pension age for active members.

6.3 The table below shows the position on 31 August 2024. The Statements were published on individual Member Portal accounts and members were notified via email. For members in scope for the McCloud Remedy the Statement was also posted.

Non McCloud

| | Total Number of Statements Required | Total Number of Statements Produced | Total Number of Statements Missing | Percentage of Statements Produced |
|------------------|--|--|---|--|
| Deferred Members | 427 | 427 | 0 | 100.0% |
| Active Members | 331 | 331 | 0 | 100.0% |

McCloud

| | Total Number of Statements Required | Total Number of Statements Produced | Total Number of Statements Missing | Percentage of Statements Produced |
|------------------|--|--|---|--|
| Deferred Members | 115 | 67 | 48 | 58.3% |
| Active Members | 243 | 440 | 3 | 98.8% |

6.4 Articles have been published on the Hampshire Pension Services website alerting members to the availability of Annual Benefit Statements and to specific information relating to the McCloud Remedy. ([Your Annual Benefit Statement 2024 - Active and Deferred Members | Business and economy | Hampshire County Council \(hants.gov.uk\)](#) and [McCloud/Sargeant/Age Discrimination | Business and economy | Hampshire County Council \(hants.gov.uk\)](#))

6.5 The team are working to publish the remaining RSS ABS's and prepare Pensions Savings Statements for impacted members by the 5 October 2024 deadline.

7 Project Work: Dashboard

7.1 The government led "Dashboard" project is intended to allow individuals to go to a single website and receive details of all the pensions they hold across UK pension providers.

7.2 The connection deadline for the public sector has been confirmed as 31 October 2025.

7.3 The Pension Dashboard Programme (PDP) continue to work through the connection processes and guidance for integrated service providers and pension schemes. This work is expected to continue until late 2024. Hampshire Pension Services are continuing to be involved with updates on the project.

8 Breach Reporting

8.1 There have been no data breaches during the last 12 months. Consideration is being given to the missing RSS/ABS.

9 Consultation, engagement and advice

N/A

10 Finance

N/A

11 Risk implications and mitigations

See background.

12 Policy alignment and compliance

N/A

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Appendices

Appendix A: Administration Activity

Appendix B: Summary of bulletins and correspondence

Appendix C: McCloud Highlight Report and Contingent Decision Policy

Appendix D: Matthews Highlight Report

Background papers

N/A