

COMMISSIONERS FOR FIRE & RESCUE SERVICE

Papers for the Local Pension Board Committee to be held on:

Tuesday 8 July 2025, 1030hrs

**In person at South Wales Fire & Rescue Service Headquarters,
Forest View Business Park, Llantrisant, CF72 8LX**

Or

Remotely via MS Teams

**Please ensure you join the meeting 15 minutes prior to meeting
time**

Link: <https://bit.ly/Local-pension-08-07-2025>

**Any issues please contact
01443 232000 and ask for Governance Support**

A G E N D A

1. Apologies for Absence
2. Declarations of Interest

Attendees are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the South Wales Fire and Rescue Authority (Exercise of Functions) (Wales) Directions 2024 and the Local Government Act 2000.

3. Chairperson's Announcements

4. To receive the minutes of;

Local Pension Board Committee held on 25 February 2025 3

5. Update on Outstanding Actions 7

REPORTS FOR INFORMATION

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13.	Any items to report back to the Board of Commissioners Committee	71

Signature of Monitoring Officer:



COMMISSIONERS FOR SOUTH WALES FIRE AND RESCUE SERVICE

MINUTES OF THE LOCAL PENSION BOARD HELD ON TUESDAY 25 FEBRUARY 2025 AT 1000 HRS IN MEETING ROOM 8 AT FIRE AND RESCUE SERVICE HEADQUARTERS, AND REMOTELY VIA TEAMS

PRESENT:-

ACFO Dean Loader (Chair) - Director of Service Delivery, Gabrielle Greathead – Interim Monitoring Officer, ACO Alison Reed – Director of People Services, Julia Thompson - Pensions Liaison Officer, Gareth Tovey - FBU, Chris Williams – Head of ICT, ACFO Brian Thompson – Director of Technical Services, Ian Traylor – Pensions Service Director, Rhondda Cynon Taf County Borough Council, Dave King – Fire and Rescue Service Association. ACFO Christian Hadfield – Director of Corporate Support, Kimbely Jeal, - Accountant, People Services, Hannah Clifford – Governance Officer, Kate Owen – Secretariat.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Lee Bunkham, Senior Procurement Officer and Lisa Mullan, Head of Finance, Procurement and Property.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. CHAIRPERSON'S ANNOUNCEMENTS

There were no Chairperson's announcements.

4. MINUTES OF THE PREVIOUS MEETING – 24 OCTOBER 2024

RESOLVED:

To approve the minutes of the meeting of the Board held on 24 October 2024 as a correct record.

5. UPDATE ON OUTSTANDING ACTIONS

07/24 4.4 The action to upload the Members Handbook to the Intranet remained outstanding – the Director of People Services took to expedite this.

10/24 7.3 Work was ongoing regarding the contractual arrangements for the Service Level Agreement.

The remaining actions from October 2024 had been completed.

6. REVIEW OF FIREFIGHTER PENSION SCHEMES DISCRETIONS

The Director of People Services presented a report in relation to the requirement on authorities to explain and publish how they will apply discretionary elements for Scheme members.

A Statement of Policy addressing that requirement was set out as an Appendix to the report.

RESOLVED:

- 6.1 To approve the Statements of Policy appended to the report;
- 6.2 to authorise Officers to provide Rhondda Cynon Taf Pension Fund Administrators with the approved policy statements, in accordance with the Schemes Regulations.

REPORTS FOR INFORMATION

7. REVIEW OF KEY PERFORMANCE INDICATORS

The Director of Pension Services at Rhondda Cynon Taf County Borough Council presented a report setting out performance information against the agreed key delivery service standards, in accordance with the Service Level Agreement between the Fire Services and the Council, as the Scheme Administrators. Appendix 1 to the report detailed the performance in the last quarter and Appendix 2 set out the key issues for the Board to consider.

The Board noted in particular:-

- the volume of work involved in administering such a complex scheme, and the points where delays were caused
- data governance issues arising from the scheme administration
- backdating pensions for recent retirees.

RESOLVED:

- 7.1 to note the report and appendices.

8. PUBLIC SECTOR PENSION SCHEMES LEGISLATION – McCLOUD

AND O'BRIEN REMEDY EXERCISES AND THE PENSIONS DASHBOARD PROJECT

The Firefighters' Pensions Technical Lead for SWFRS/NWFRS presented a report setting out the statutory timelines imposed by the changes to public sector pension scheme legislation, commonly known as the McCloud and O'Brien pension remedy exercises. She noted that this was a very complex area of work and the deadline for full implementation of the McCloud implications of 31 March 2025 was challenging. It was unlikely that this deadline would be met, and the Service would be required to self-report this to the Pensions Regulator. The Board noted that:-

- communication with the affected members would be crucial through this uncertain transition period
- some members would be unable to retire until their cases were resolved
- this was a national problem with other services experiencing similar issues
- there would be a cost to the Service as a result of the delays, but this was as yet unquantified

The report also set out an update on the implementation of the Pensions Dashboard Project by the Department for Work and Pensions (see also Minute 9 below). It was reported that the Fire Services sector had been given a connection date of October 2025.

RESOLVED:

- 8.1 To note the report.
- 8.2 to note the statutory obligation placed on the Scheme Manager to ensure that the project timelines be met, and the likelihood of this not being the case for this Scheme.

9. PENSIONS DASHBOARDS

This item had been covered under the previous minute. A progress report would be brought to the next meeting.

10. PUBLICATIONS, UPDATES, INFORMATION (Standing Item)

The Director of People Services submitted a report containing links to the setting out the Fire Pensions Regulations and Guidance Bulletins 85-88 inclusive.

RESOLVED:

- To note the report.

11. FORWARD WORK PROGRAMME FOR LOCAL PENSION BOARD

The Interim Monitoring Officer introduced the latest iteration of the Board's Forward Work Programme.

RESOLVED:

10.1 To note the report.

12. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRPERSON DEEMS URGENT (PART 1 OR 2)

No such business was brought forward.

13. ITEMS TO REPORT BACK TO THE BOARD OF COMMISSIONERS

The Chair would update Kirsty Williams on outcomes from this meeting and be guided as to whether any matters would be escalated to the Board of Commissioners.

AGENDA ITEM NO 5

UPDATE ON OUTSTANDING ISSUES ARISING FROM PREVIOUS MEETINGS
--

Minute No	Item	Action	Leading Officer	Current Status:
07/24 4.4	Members Handbook	ACO People Services to arrange for the Members Handbook to be uploaded to the intranet	ACO Alison Reed	Members handbook can be located under payroll, pensions and budgets in pension resources on the intranet. An email will be sent to Members to highlight the document location
10/24 7.3	Service Level Agreement	The Senior Procurement Officer to consider the development of a contract, link in with the SLA and undertake a review of the SLA whilst receiving input from the Pensions Service Director RCT and Pensions Liaison Officer.	Lee Bunkham	

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SOUTH WALES FIRE & RESCUE SERVICE

AGENDA ITEM NO 6
8 JULY 2025

LOCAL PENSION BOARD COMMITTEE

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES

REVIEW OF KEY PERFORMANCE INDICATORS

THIS REPORT IS FOR INFORMATION

REPORT APPROVED BY ASSISTANT CHIEF OFFICER PEOPLE SERVICES, ALISON REED

REPORT PRESENTED BY IAN TRAYLOR, HEAD OF SERVICE, PENSIONS, PROCUREMENT AND TRANSACTIONAL SERVICES, RHONDDA CYNON TAF CBC (SCHEME ADMINISTRATOR)

SUMMARY

The Service Level Agreement (SLA) between South Wales Fire & Rescue Service and Rhondda Cynon Taf Country Borough Council sets out the manner in which certain duties and responsibilities are expected to be carried out. A key element of the SLA is the reporting on actual performance activity against the agreed key delivery Service Standards. The following report is intended to provide Members with an update on key activity undertaken during the reporting period and shares the performance data for the periods April 2024 to March 2025 and April 2025.

RECOMMENDATIONS

1. That Members of the Local Pension Board note the performance data included at Appendix 1 attached to the report.
2. That Members note the relevant pension administrative overview and update included at Appendix 2 attached to the report.

1. BACKGROUND

- 1.1 The ongoing monitoring of the key performance indicators / service standards and activity, is intended as a measurement to help evaluate the success or otherwise of the service provided to the South Wales Fire & Rescue Authority on behalf of its scheme members, by the RCT Pension Service.

2. ISSUES

2.1 There are no issues to report.

3. IMPLICATIONS

3.1 Community and Environment

Equality, Diversity and Inclusion	No
Welsh Language	No
Wellbeing of Future Generations (Wales) Act 2015	No
Socio Economic Duty	No
Sustainability/Environment/Carbon Reduction	No
Safeguarding	No
Consultation and Communications	No
Consultation with Representative Bodies	No
Impact Assessment	No

3.2 Regulatory, Strategy and Policy

Legal	No	Data Protection / Privacy	Yes
Financial	Yes	Health, Safety and Wellbeing	No
Procurement	No	Governance & Audit	Yes
Corporate Risk	No	Service Policy	Yes
Information Management	Yes	National Policy	No

3.3 Resources, Assets and Delivery

Human Resource and People Development	No
Assets and Resources (Property/Fleet/ICT/Equipment)	No
Service Delivery	Yes
Procurement	No
Budget Revenue/Capital	Yes

4. EVALUATION & CONCLUSIONS

4.1 Members are asked to review the outturns in the Appendices attached to the report with a view of discussing them at the meeting.

5. RECOMMENDATIONS

- 5.1 That Members of the Local Pension Board note the performance data included at Appendix 1 attached to the report.
- 5.2 That Members note the relevant pension administrative overview and update included at Appendix 2 attached to the report.

Contact Officers:	ACO Alison Reed Director of People Services Ian Traylor Service Director Pensions, Procurement & Transactional Services, Rhondda Cynon Taf CBC (Scheme Administrator)
Background Papers	Appendix 1 – Current Year Key Performance Appendix 2 – Overview and Update of Administrative Activity

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YEAR 2024/25

MONTHLY SERVICE STANDARDS																	Relates to last Month Completed
STANDARD MEASURED		TARGET	INTER' VENTION	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% Divorce Estimates processed within 10 days	Statement	100	95	100%	100%	–	100%	100%	–	–	50%	–	100%	–	100%	One case completed. On time.	80.00%
% Preserved Benefits processed within 10 days	Statement	100	90	–	–	–	–	–	–	–	100%	–	–	–	–	No cases completed.	100.00%
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% Retirements from Active membership processed within 5 days	Payment	100	95	100%	100%	100%	100%	100%	100%	100%	100%	–	100%	100%	100%	3 cases completed. All on time.	100.00%

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	–	100%	100%	–	–	–	–	100%	–	100%	0.00%	–	No cases completed.	83.33%
% Transfers In processed within 10 days	Statement	100	90	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	–	–	100%	–	–	–	–	–	–	–	–	–	No cases completed.	100.00%
% death grant for active members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–

YEAR 2025/26

MONTHLY SERVICE STANDARDS Scheme 90 (Protected 92 Scheme and Transitioned members)																	<u>Relates to last Month Completed</u>
<u>STANDARD MEASURED</u>		<u>TARGET</u>	<u>INTER' VENTION</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	Comment s	2025/2026 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	—												No cases completed.	—
% Divorce Estimates processed within 10 days	Statement	100	95	100.00												One case completed. On time.	100.00
% Preserved Benefits processed within 10 days	Statement	100	90	—												No cases completed.	—
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	—												No cases completed.	—
% Retirements from Active membership processed within 5 days	Payment	100	95	100.00												One case completed. On time.	100.00

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	–												No cases completed.	–
% Transfers In processed within 10 days	Statement	100	90	–												No cases completed.	–
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	–												No cases completed.	–
% death grant for active members within 5 days (Monthly)	Payment	100	95	–												No cases completed.	–
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	–												No cases completed.	–

YEAR 2024/25

MONTHLY SERVICE STANDARDS Scheme FIR (2006 Scheme and Transitioned members)																Relates to last Month Completed	
STANDARD MEASURED		TARGET	INTER' VENTION	APR	MAY	JUN	JUL	AUG	SE PT	OCT	NOV	DEC	JAN	FEB	MAR	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	—	—	—	—	—	—	—	—	—	—	—	—	No cases completed.	—
% Divorce Estimates processed within 10 days	Statement	100	95	—	100%	—	—	—	—	—	—	—	100%	—	—	No cases completed.	100%
% Preserved Benefits processed within 10 days	Statement	100	90	100%	—	—	100%	—	—	—	—	—	—	—	—	No cases completed.	100%
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	—	—	—	—	—	—	—	—	—	—	—	—	No cases completed.	—
% Retirements from Active membership processed within 5 days	Payment	100	95	100%	—	100%	—	—	—	100%	100%	100%	100%	—	100%	One case completed. On time.	100%

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	–	100%	–	–	100%	–	–	–	–	–	100%	100%	One case completed. On time.	100%
% Transfers In processed within 10 days	Statement	100	90	–	–	–	100%	–	–	–	–	–	–	–	–	No cases completed.	100%
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% death grant for active members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–

YEAR 2025/26

MONTHLY SERVICE STANDARDS Scheme FIR (2006 Scheme and Transitioned members)																<u>Relates to last Month Completed</u>	
<u>STANDARD MEASURED</u>		<u>TARGET</u>	<u>INTER' VENTION</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SE PT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	Comments	2025/2026 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	—												No cases completed.	—
% Divorce Estimates processed within 10 days	Statement	100	95	—												No cases completed.	—
% Preserved Benefits processed within 10 days	Statement	100	90	—												No cases completed.	—
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	—												No cases completed.	—
% Retirements from Active membership processed within 5 days	Payment	100	95	—												No cases completed.	—

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	—												No cases completed.	—
% Transfers In processed within 10 days	Statement	100	90	—												No cases completed.	—
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	—												No cases completed.	—
% death grant for active members within 5 days (Monthly)	Payment	100	95	—												No cases completed.	—
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	—												No cases completed.	—

YEAR 2024/25

MONTHLY SERVICE STANDARDS Scheme F15 (2015 only members)																	Relates to last Month Completed
STANDARD MEASURED		TARGET	INTER' VENTION	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FE B	MAR	Comments	2024/2025 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	–	–	–	–	–	100.00 %	–	–	–	–	–	–	No cases completed.	100.00%
% Divorce Estimates processed within 10 days	Statement	100	95	100	–	–	–	–	–	–	–	–	100.00 %	–	–	No cases completed.	100.00%
% Preserved Benefits processed within 10 days	Statement	100	90	100	91.66%	100.00%	100.00%	100.00 %	100.00 %	100.00 %	100.00%	–	–	–	–	No cases completed.	98.36%
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% Retirements from Active membership processed within 5 days	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% Transfers In processed within 10 days	Statement	100	90	100	–	100.00%	100.00%	–	–	–	–	–	–	–	–	No cases completed.	100.00%
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% death grant for active members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	–	–	–	–	–	–	–	–	–	–	–	–	No cases completed.	–

YEAR 2025/26

MONTHLY SERVICE STANDARDS Scheme F15 (2015 only members)																	Relates to last Month Completed
STANDARD MEASURED		TARGET	INTER' VENTION	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FE B	MAR	Comments	2025/2026 Year to Date Actual %
% Refund of contributions processed within 10 days	Payment	100	95	—												No cases completed.	—
% Divorce Estimates processed within 10 days	Statement	100	95	—												No cases completed.	—
% Preserved Benefits processed within 10 days	Statement	100	90	—												No cases completed.	—
% Employer requests for retirement estimates processed within 5 days	Statement	100	95	—												No cases completed.	—
% Retirements from Active membership processed within 5 days	Payment	100	95	—												No cases completed.	—

% Preserved Benefits into payment on retirement processed within 5 days	Payment	100	95	—												No cases completed.	—
% Transfers In processed within 10 days	Statement	100	90	—												No cases completed.	—
% Transfers Out processed within 10 days (Monthly)	Payment	100	95	—												No cases completed.	—
% death grant for active members within 5 days (Monthly)	Payment	100	95	—												No cases completed.	—
% death grant for pensioner members within 5 days (Monthly)	Payment	100	95	—												No cases completed.	—

The following information is intended to provide Members of Pensions Board with an overview and update on key administrative activity:

Member Self-Serve Statistics

Member Self-Serve (MSS) take-up as 22 May 2025

	Status 1 (Actives)	Status 2 (Pending leavers)	Status 4 (Deferred)	Status 5 (Pensioners)	Status 6 (Dependants)
92 Scheme	89.70%	100%	75.86%	61.54%	18.54%
Total Membership	233	1	116	1261	205
2006 Scheme	85.16%	80.00%	50.46%	69.15%	18.75%
Total Membership	256	5	755	188	16
2015 Scheme	40.98%	22.22%	32.43%	66.67%	0%
Total Membership	793	9	515	3	0

Heywood are withdrawing support for the current version of MSS and introducing a new product, "Engage". User Acceptance Testing is in progress and the RCT Team will update SWFRS with regards to roll out of the new product.

Scheme Member Complaints

- There have been no formal complaints this period.

Key Administration Activities

Remedy

- Active Members
 - Records rolled back and ABS-RSS issued to 400 members within statutory timescale.
 - Records not rolled back 54. This cohort include members with transfers-in from other forces, members with pension sharing debits and Matthews Second Option Exercise cases.
- Deferred Members
 - Zero Records rolled back – however data is in the process of being provided by SWFRS in order to complete this cohort of 147 members. RCT team starting to look at these cases.
- Pensioners
 - Immediate Choice RSS issued to 60 members, 45 elections have been received of which 42 have been processed and 3 are pending waiting confirmation of tax liability from individual members.
 - 263 Immediate Choice statements to be issued – all protected members
 - 14 Immediate Choice statements not issued. This cohort includes members with pension sharing debits, eligible for Matthews Second Option Exercise or need to be re-assessed by IQMP.
- Death In Service
 - Remediable Service Statements issued to 7 recipients, 4 elections have been received and all have been processed.

- Draft GAD guidance for retrospective Divorce cases has been provided. RCT Team attended a GAD/LGA webinar 21st May. Final guidance expected in June.
- 2025 Pension Increase 1.7%, pensioner records updated and are in payment.
- 2025 CARE Revaluation 4.5%, records have been updated to reflect revaluation.
- Work commenced on record updates for 2025 Annual Benefit Statements.
- Current retirements continue to be paid to time.
- HMRC and GAD guidance on the processing of payment (or refunds) of unauthorised tax being reviewed by RCT Team.
- Regular meetings of SWFRS and RCT Pensions Teams continue.
- RCT Team regularly attend LGA Technical Briefing Sessions.
- RCT and SWFRS teams continue to liaise regarding Matthews 2nd Options Exercise. SWFRS reported 110 pensioners have been contacted and 74 elections received, 46 deferred members and 43 actives to be done. Pensions Software to be updated to accommodate administration requirements.
- SWFRS have informed RCT Team of a cohort of members who, following an Ombudsman case, have been allowed access to the LGPS for certain secondary contracts held. RCT are investigating this to review the administration requirements.
- Pension Dashboard onboarding deadline is October 2025, RCT have contracted with Heywood (current software provider) to be their ISP (Integrated Service Provider) and testing has commenced. Scheme Manager should receive registration numbers from TPR that need to be provided to the ISP.

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN

SOUTH WALES FIRE & RESCUE SERVICE

AGENDA ITEM NO 7
8 JULY 2025

LOCAL PENSION BOARD COMMITTEE

REPORT OF THE FIREFIGHTERS' PENSIONS TECHNICAL LEAD FOR SWFRS & NWFRS, KIMBELY JEAL

PUBLIC SECTOR PENSION SCHEME LEGISLATION – MCCLOUD & O'BRIEN REMEDY EXERCISES AND THE PENSIONS DASHBOARD PROJECT

THIS REPORT IS FOR INFORMATION

REPORT APPROVED BY THE FIREFIGHTERS' PENSIONS TECHNICAL LEAD FOR SWFRS & NWFRS, KIMBELY JEAL
REPORT PRESENTED BY ASSISTANT CHIEF OFFICER PEOPLE SERVICES, ALISON REED.

SUMMARY

To set out the requirements and statutory timelines imposed by the changes to Public Sector Pension Scheme legislation and more specifically Firefighter Pension Schemes. These are more commonly known as the McCloud and O'Brien (Matthews 2) pension remedy exercises.

In addition, the Pensions Dashboard Project, which is being implemented by the Department for Work and Pensions (DWP), is now gathering pace and the connection date, for schemes in the Fire Sector, has been confirmed as October 2025.

RECOMMENDATIONS

1. Note the content of the report, and the extensive work that is currently underway by the Service and its stakeholders.
2. Note the statutory obligation placed on the Scheme Manager to ensure that these timelines are met for all 3 national projects.

1. BACKGROUND – MCCLOUD

- 1.1 Following Lord Hutton's 2011 review of public sector pensions, the Public Service Pensions Act (2013) provided the legal framework to reform public sector pension schemes. Reforms included restricting existing

final salary schemes, extending retirement ages, and introducing CARE (Career Average Revalued Earnings) Schemes.

- 1.2 In 2015 the majority of public service pension schemes were reformed to provide defined benefits, on a CARE basis, and extended the normal retirement age of members. Amended regulations provided protections for certain members of existing final salary schemes, based on age. Members reaching the normal pension age of 55 by 31 March 2012, were afforded full protection with others receiving protection on a tapered basis depending on their age. Members who did not qualify for protection (unprotected), were moved out of their legacy schemes, into the new 2015 Firefighters Pension Scheme on the 1st April 2015.
- 1.3 In 2018 the Court of Appeal ruled that the transitional protection element, of the 2015 public service pension reforms, constituted unlawful age discrimination. This is now referred to as the McCloud/Sargeant case and on the back of this decision, the Government confirmed that it would remove the difference in treatment across all public service pension schemes.
- 1.4 In October 2020 Home Office undertook to consult on the way forward. The outcomes of the consultation were published on 4 February 2021, with an option called 'the Deferred Choice Underpin' being adopted, meaning that members would make their decision between benefit options shortly before retirement. In the meantime, members would be deemed to have accrued benefits in their legacy schemes rather than reformed schemes, for the remedy period 1st April 2015 to 31st March 2022. This is now referred to as the remedy period.
- 1.5 The Public Service Pensions and Judicial Offices Act 2022 (PSPJO) was given Royal Assent on 10 March 2022 and provides an overarching framework to allow public service pension schemes to remedy the impact of unlawful age discrimination.
- 1.6 There were 2 distinctly separate elements to the changes in legislation, the first came into effect on 1st April 2022 and is known as Prospective Remedy, which meant that from that date all members of the FPS would be members of the Reformed Scheme. The 2nd is known as Retrospective Remedy, which came into effect on the 1st October 2023 and means that those that had membership, in a Public Sector Scheme,

during the remediable period, would be deemed to have accrued it wholly in their legacy pension scheme.

1.7 The timelines are set out in the new legislation, and dictate that Active/Deferred pension scheme members, those that have already retired and member dependents must have received a Remedial Service Statement, setting out their options, no later than 31st March 2025.

1.8 In order to facilitate progress through the project, members were grouped into cohorts. (Information as at 19th May 2025)

- **Dependent beneficiaries (DIS) – 7 members**

Remedial Service Statements for this group of members were provided before the 31st March 2025, with 4 elections now completed.

- **Ill Health/Taper Protected or Unprotected retirees - 77**

HMRC confirmed that changes to legislation were required, in order to ensure that no member that needs a retrospective calculation was adversely affected by then, current tax regulations. These were not in place before 31st March 2025, but have been laid since with an effective date of 6th April 2025. Guidance has been provided to Scheme Administrators, in order that these cases can be progressed. These cases require manual calculations and have extended the time needed for processing. The Scheme Administrators have not been able to provide statements to all members in this group before 31st March 2025, and it is expected that the remaining statements (**17**) will be provided as soon as possible but ultimately by the 30th September 2025.

- **Active members – 661**

Running alongside the above work for those that have already retired, is an additional exercise which provides the same information for Active members. These individuals will either owe contributions to the Service or will be owed contributions by the Service. A large number of these members did receive an RSS, by the 31st March 2025 (**400**) and RCT have committed to providing the remaining statements as soon as possible but ultimately by the 30th September 2025.

- **Deferred members –106**

Those with deferred pension benefits did not receive an ABS RSS by the deadline set, however the Scheme Manager and RCT Administrators have discussed a revised date of 30th September 2025 for these statements to be provided to members.

- **Fully Protected Members 236**

Although this group have already retired, unlike the Taper and Unprotected members, they are least likely to change the pension option chosen at retirement and did not receive an IC RSS by the 31st March 2025. All of the relevant information has been provided to our Administrators, although as these are manual calculations it will take longer to process them. The Scheme Manager and RCT Administrators have discussed a date of 30th September 2025 for these statements to be provided to members.

1.9 Under the PSPJO, Section 29(10)(b) the Scheme Manager has the discretion to extend the deadline prescribed for any member or group of members where it has not been possible to provide an ABS RSS due to a limited number of circumstances:

- GAD guidance for a transfer/divorce not available
- A club transfer from another public sector scheme where information has not been provided
- An ill-health re-assessment where the member has not agreed to the medical reassessment required
- Data from a previous FRA or administrator not being available
- Accuracy of data (if this is not something within the scheme managers control, such as historic record keeping from a previous administrator or payroll/pension scheme provider)
- Individual is involved in both the Matthews and Sargeant remedy and have not yet been able to make their Matthews election, so has a direct impact on their Sargeant remedy choice.
- Some other policy issue arising

SWFRS has **85** members that fall into one of the above categories and as such can legitimately extend their deadline, for receipt of an RSS, to a date past the 31st March 2025. This date can only be informed by the provision of awaited legislation, guidance or the provision of missing information. Any affected member has been formally advised that their deadline is being extended under Section 29(10)(b).

- 1.10 The deadline of the 31st March 2025 is a statutory deadline and as such carried strict reporting requirements, should it not be met in whole or in part. The Service has self-reported to The Pensions Regulator, setting out the reasons for the breach, the numbers of those that did not receive an RSS and an explanation of how it will now ensure that any outstanding RSSs are processed as quickly as possible.
- 1.11 The Service continues to work alongside its colleagues at RCT Pension Administrators, to ensure that affected members receive the necessary Remediable Service Statements. A timeline for this to be achieved, has been discussed, with an agreement that this will now be the 30th September 2025.

2 BACKGROUND – O'BRIEN

- 2.1 In April 2006, the Firefighters Pension Scheme 1992 (FPS 1992) was closed to new members, and the New Firefighters Pensions Scheme 2006 (NFPS 2007 in Wales), came into force, which enabled On Call Firefighters to become pension scheme members from that date.
- 2.2 Historically, On-Call firefighters were excluded from the FPS 1992, which was challenged under the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000. This resulted in a determination that enabled certain On-Call firefighters, with service between 1 July 2000 and 5 April 2006, to become members of a pension scheme.
- 2.3 Between 2014 and 2015 an options exercise was undertaken, which gave those, that were eligible, the opportunity to join the NFPS 2007 (Wales). This was the first options exercise, which is often now referred to as Matthews 1.
- 2.4 More recently, this judgment was challenged, at the European Court of Justice. The Court ruled, that service going back to the start of employment should be considered and applied for certain On-Call firefighters.

- 2.5 As a result, a second options exercise is now taking place to allow eligible On-Call firefighters to buy pension service, as a special member of the NFPS 2007 (Wales), backdated to the start date of their employment. As part of this exercise the following individuals are eligible for the second options exercise:
- a. On-Call firefighters employed on any date between 7 April 2000 and 30 June 2000 (inclusive).
 - b. On-call firefighters employed on any date between 7 April 2000 and 30 June 2000 (inclusive) as well as on any date between 1 July 2000 and 5 April 2006 (inclusive).
 - c. On-call firefighters employed on any date between 1 July 2000 and 5 April 2006 (inclusive), but not on any date between 7 April and 1 July 2000, who were eligible to take part in the first options exercise but were not given opportunity to do so.
- 2.6 On-Call firefighters employed on any date between 1 July 2000 and 5 April 2006 (inclusive), but not on any date between 7 April and 1 July 2000, who were given the opportunity to take part in the first options exercise but did not choose to do so previously, are not eligible for the second options exercise, as their circumstances have not changed.
- 2.7 The legislative changes, in England, came into force on the 1st October 2023, with 18 months to implement. However, in Wales changes to the NFPS 2007 (Wales) scheme did not come into effect until 1st February 2024, with the implementation deadline being 31st July 2025.
- 2.8 GAD have provided a calculator that enables the provision of information, for those that meet the criteria set out. This process is very complex and requires historic salary and employment history data, calculation of contributions owed, tax and interest considerations, alongside the benefits that those individuals would be entitled to receive should they proceed in buying back this service. Individuals have 6 months in which to make an election to buy this Service back.

- 2.9 The Service has written out to **478** On Call or previously On Call staff, to inform them that they are eligible for an O'Brien/Matthews2 remedy and as of 28th May 2025, **250** individuals had formally responded, requesting calculations on their benefits, should they choose to buy back. **158** statements have been sent out, with **84** members waiting for their new benefits to be processed by the administrators. Of the 84 awaiting payment, **20** of these are new pensioners. The relevant buy back periods, linked to this project, can range from the individuals original start date with the Service, to date of retirement or if still active employees, 31st March 2015. Some start dates go back as far as the 1960s. For some individuals there are also interdependencies with the McCloud Remedy Exercise.
- 2.10 More recently, the Home Office launched a consultation on "Amendments to the Firefighters' Pension Scheme: Retained Firefighters". It sought responses on a number of issues relating to survivor benefits, conversion of service from standard to special, as well as the possibility of an extension to the March 2025 deadline by a further 12 months. We understand that it is Welsh Governments intention to follow suit with a similar consultation, however no details or timelines have emerged as yet. This brings the possibility of an extension to the deadline, in Wales, to 31st July 2026.

3 BACKGROUND – THE PENSIONS DASHBOARD PROGRAMME

- 3.1 The Pensions Dashboard Programme is a national programme that is being driven forward by the Department for Work and Pensions (DWP) and has been on the horizon since as far back as 2017. Pensions dashboards are digital services – apps, websites, or other tools – which savers will be able to use to see all of their pension information in one place. Additionally, a saver will be able to use dashboards to search the records of all pension schemes to confirm whether or not they are a member. This will also include information on their State Pension. This programme applies to all pensions schemes across the UK, whether public sector or private sector.

- 3.2 Local Pension Boards and Scheme Managers will need to ensure that it can connect with and supply pensions information to savers through dashboards, which is a duty required by the Pensions Dashboards Regulations 2022.
- 3.3 The Department for Work and Pensions (DWP) has set out a staged timetable for schemes to connect to the dashboard digital architecture. Schemes are being asked to connect over time according to their size and type. All schemes in scope must be connected by 31 October 2026 at the latest, although the Fire Sector has been given a connection date of 31st October 2025.
- 3.4 There is significant work involved to comply with dashboards duties and there may be a need to engage third-party suppliers to help with this work, such as administrators and/or an integrated service provider (ISP). The Service will need to work closely with its Pension Scheme Administrators (RCT) to assess the impact of the changes and plan how it will meet the dashboard duties.
- 3.5 There may be a need to procure new services, update supplier contracts or Service Level Agreements, once the impact on provisions has been assessed and agreed. Any changes may have a financial cost to the organisation, but this is still unknown at this time.
- 3.6 The TPR have also been given new powers to issue compliance notices and penalties to LPBs and scheme managers if they fail to comply with pensions dashboards requirements. These include connecting and maintaining their connection with dashboards, and complying with technical, data and other standard. The TPR can also issue compliance notices and penalties to third parties where they have caused non-compliance. This may include administrators, integrated service providers and employers.
- 3.7 RCT Administrators have confirmed that they are in a position to meet the October 2025 deadline, on behalf of the Scheme Manager, and will keep the Service updated.

4 IMPLICATIONS

4.1 Community and Environment

4.1.1 Regular dialogue with the Representative Bodies and service-wide communications has commenced and will continue on a regular basis going forward.

Equality, Diversity, and Inclusion	No
Welsh Language	No
Wellbeing of Future Generations (Wales) Act 2015	No
Socio Economic Duty	No
Sustainability/Environment/Carbon Reduction	No
Safeguarding	No
Consultation and Communications	No
Consultation with Representative Bodies	Yes
Impact Assessment	Yes

4.2 Regulatory, Strategy and Policy

Legal	Yes	Data Protection / Privacy	No
Financial	Yes	Health, Safety and Wellbeing	No
Procurement	No	Governance & Audit	Yes
Corporate Risk	Yes	Service Policy	No
Information Management	No	National Policy	Yes

4.3 Resources, Assets, Delivery

4.3.1 Following audit of the 2021/22 accounts by the Wales Audit Office, no concerns were expressed regarding the legality or accounting methodology adopted by the Service in respect of the Category 1 ID cases (McCloud) previously processed between October 2021 and September 2023. In total 50 cases were processed under this principal.

4.3.2 The long term financial liabilities of implementing these remedies is still yet to be quantified with estimated costs being provided by the Government Actuary Department (GAD) and included in the Authority's Balance Sheet. It is impossible to accurately assess the final impact until the remedy exercise has been finalised. As a result, the future revenue implications for the Service cannot yet be determined.

- 4.3.3 Additionally, administrative and software costs that directly relate to these exercises do not currently form part of the Service Level Agreement and RCT Pension Scheme Administrators will pass on these linked costs as and when they are presented by the software suppliers etc.

Human Resource and People Development	Yes
Assets and Resources (Property/Fleet/ICT/Equipment)	No
Service Delivery	No
Procurement	No
Budget Revenue/Capital	Yes

5. RECOMMENDATIONS

- 5.1 Note the content of the report, and the extensive work that is currently underway by the Service and its stakeholders.
- 5.2 Note the statutory obligation placed on the Scheme Manager to ensure that these timelines are met for all 3 national projects.

Contact Officer:	ACO Alison Reed
Background Papers:	None
Appendices	None

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 8
8 JULY 2025

LOCAL PENSION BOARD COMMITTEE

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES

LOCAL PENSION BOARD RISK REGISTER**THIS REPORT IS FOR INFORMATION**

REPORT APPROVED BY ASSISTANT CHIEF OFFICER, PEOPLE SERVICES.

REPORT PRESENTED BY ASSISTANT CHIEF OFFICER, PEOPLE SERVICES, ALISON REED

SUMMARY

To review the Risk Register for the South Wales Fire & Rescue Authority Local Pension Board.

RECOMMENDATIONS

That Members review the current Risk Register at Appendix 1. As discussed previously, risks have been compiled under the headings of:

- 1) Operational Pensions
- 2) Financial Risks
- 3) Funding Governance
- 4) Regulatory Compliance.

1. BACKGROUND

- 1.1 It is good business practice for an organisation or body to consider risk management whilst discharging its duties and take into account the risks making strategic decisions.
- 1.2 Risk is an event that has the potential to help or hinder the achievement of a strategic objective or the delivery of core business. All risks are rates as manageable (low), material (medium) or significant (high).

- 1.3 As a normal business practice within the Service, Directors, Department Heads and Team Leaders are responsible for identifying risks during the business planning process and taking the appropriate actions to manage or mitigate risk within their areas. Risks that impact upon the achievement of a strategic objective or delivery of core business are generally monitored via the Services Corporate Risk register.
- 1.4 The Senior Management Team formally reviews the Corporate Risk Register on a regular basis and endorses the inclusion of any new or emerging risks identified.
- 1.5 The Pensions Regulator states that 'Public Service Pension Schemes need to have good internal controls. They are a key characteristic of a well-run scheme and enable risks to the scheme to be managed effectively. The scheme manager must establish and operate adequate internal controls'.

2. ISSUE / PROPOSAL

- 2.1 The Risk Register was last reviewed in October 2024. Members are asked to review the Risk Register ahead of the meeting on 24 June 2025 and provide comments at the meeting.

3. IMPLICATIONS

3.1 Community and Environment

- 3.1.1 There are no issues to report.

3.2 Regulatory, Strategy and Policy

- 3.2.1 The Pensions Regulator expects good internal controls.

3.3 Resources, Assets and Delivery

- 3.3.1 There are no additional financial issues arising as a result of this report.

4. RECOMMENDATIONS

4.1 That Members review the current Risk Register at Appendix 1. As discussed previously, risks have been compiled under the headings of:

- 1) Operational Pensions
- 2) Financial Risks
- 3) Funding Governance
- 4) Regulatory Compliance

Contact Officer:	ACO Alison Reed Director of People Services
Background Papers	Appendix 1 – LPB Risk Register

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Risk area 1 – Operational Pensions	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
Employer fails to carry out their responsibilities for scheme administration leading to complaints from members of the scheme	2	3	6	<p>Bulletins, Circulars & updates received from Welsh Government, LGA and Scheme Advisory Boards</p> <p>Regular meetings held with Administrators to ensure that regulatory changes are actioned promptly</p> <p>Proactive and reactive Member communication and regular pension staff update sessions</p>	Scheme Manager	Ongoing	<p>Regular Local Government association interactions and information sessions attended. Welsh Government circulars and consultations on Firefighter Pension Schemes (Wales). Attendance at the LGA AGM annually.</p> <p>Meetings regularly held to ensure that both organisations are aware of all legislative changes and to encourage open discussions around day to day processes and longer term projects</p> <p>Periodic information provided to members and employees of the Service via monthly magazine, weekly routine notice, global email, in addition to targeted and individual letters etc. Pensions Team sessions held regularly held both locally and across Wales</p>
Loss of knowledge and experience within a very small group of key staff	2	3	6	<p>Business Continuity Plans</p> <p>Succession Planning</p> <p>Support from external advisers, LGA membership</p> <p>Close relationships with other Welsh Services Pension Teams</p>	Scheme Manager	Annual	<p>The People Services Directorate has a Business Continuity Plan which confirms the approach taken with regard to Pensions knowledge and information.</p> <p>The SWFRS Pensions Team comprises two individuals who are experts in their field.</p> <p>Ongoing strategic and practical support provided from the Fire Pensions Technical Lead for SW & NW. Key information shared by LGA advisors with the ability for SWFRS to ask technical queries if needed.</p>

							All-Wales Practitioner Group meeting are held regularly across Wales, with sharing of information and ideas common place.
Cybercrime	3	3	9	<p>Comprehensive plans in place for protecting data, networks and devices. Compliance in managing data and infrastructure protection; multi-layered software, antivirus, firewall and anti-malware software.</p> <p>Education – clear communication strategy to all staff about internet, email usage and best practice. Clear guidelines on acceptable usage, how to detect scams, password management, systems and reporting incidents.</p>	Scheme Manager	Ongoing	<p>Both SWFRS and RCT have notable IT Cybersecurity policies in place as standard. Additionally, prescribed internal controls are in place, across both organisations to ensure data security and integrity is maintained. Any changes to these operating environments or significant incidents will be reported to the Local Pension Board.</p> <p>Staff awareness and training provided to ensure best practice with regards cybersecurity.</p>
Operational disaster (fire/flood failure of IT systems)	2	3	6	<p>Business continuity plans in place for administrator and scheme manager</p> <p>Backup and recovery procedures for both RCT Administrators and SWFRS</p>	Pension Administrator/ Payroll & Pensions Manager	Annual	The People Services Directorate has a BCP in place. Further work is required to explore the position with RCT.
Member data incomplete or inaccurate	2	3	6	<p>Data Quality assessed annually by RCT Administrators and reported to LPB and TPR</p> <p>Annual report from administrator, used as basis for rectification plan if required</p>	Pension Administrator & Pension Scheme Manager	Annual	<p>Report presented to SWFRS LPB by RCT annually.</p> <p>In the event of any material data quality issues a rectification plan to be devised with RCT and SW Pension Manager and monitored over the year.</p>
Administration process failure/ maladministration	2	3	6	Formal agreement in place with administrator, including SLA.	Scheme Manager	Annually	<p>SLA in place with RCT administrators. This is reviewed by the Local Pension Board annually.</p> <p>Regular meetings are held between both parties to ensure that no failures occur, which have</p>

				<p>Regular dialogue is maintained to highlight areas for improvement in relation to the member experience.</p> <p>Administration reports are presented to each Local Pension Board</p> <p>Internal and external audits can be undertaken with any significant issues escalated.</p> <p>Complaints addressed through the Independent Dispute Resolution Procedure</p>			<p>impact on the member experience and ongoing improvements can be discussed.</p> <p>Both organisations have and can routinely be audited, with a formal audit report provided for areas of improvement or risk, with any areas identified forming part of an agreed improvement plan.</p> <p>Firefighter Pension Schemes have a formal IDRP in place, which has legislative standing and must be followed, should a complaint be received. These cases are reported to the LPB by the Scheme Manager annually.</p>
Operational capacity to undertake remedy exercises following legal challenges	3	3	9	<p>The Service has a legal obligation to undertake the McCloud and O'Brien Remedy exercises by the statutory deadlines of March 2025 and July 2025 respectively.</p> <p>Regular reports are presented to the LPB updating on progress and any significant changes to the legislation and the consequential actions that need to be undertaken.</p>	ACO People Services	Ongoing	<p>The requirement to address the legal challenges arising from both the McCloud and O'Brien judgments places a significant burden on both the Service's Pension Team and our Administrator. The underlying processes are complex and of a manual nature and the appointment of the joint lead (collaboration between South Wales and North Wales FRSS) ensures that statutory deadlines are known. Regular update reports are presented to the LPB with issues reported to the FRA as appropriate.</p>
Failure to communicate effectively with pension scheme members	3	3	9	<p>This is addressed through a variety of methods:</p> <p>Pension Scheme Information sent to new starters, including information on transferring benefits in from their previous employer.</p>	ACO People Services	Ongoing	<p>Those wishing to transfer in pension entitlements from previous employers will be contacted by RCT administrators, who deal with this directly with the employee.</p>

				<p>Engagement with target groups on specific matters by means of Routine Notice, Intranet page, global and direct emails, monthly and annual magazines.</p> <p>McCloud and O'Brien remedy exercise information is shared with those that it impacts on directly and is targeted and appropriate</p> <p>.</p> <p>Enquires are also directly towards their My Pensions online Portal, which is managed by RCT Administrators and also the Fire Pensions Member website, which is managed and maintained by the LGA, on behalf of the sector.</p>			<p>The pension team endeavour to communicate regularly on all pension issues both proactively and reactively, should the need arise.</p> <p>All of the remedy guidance and documents can be accessed through the FPS member website. The LGA have also provided a library of template documents for the Services to use when contacting individuals.</p>
Ongoing payment to a deceased member	2	2	4	<p>Once RCT are notified that a pensioner has died, they will carry out all of the necessary checks and pick up contact with the family and cease payments. Where there is an entitled beneficiary, they will recalculate the survivors benefits and put these into payment.</p> <p>Where an overpayment is made RCT will contact the pensions team with the information, who will make a decision on whether or not to reclaim the overpayment.</p>	RCT Pension Administrators	Ongoing	There is a robust established process in place, albeit there are instances where reclaiming over paid pension is difficult. In these instances, the Service has the ability to pass this issue to a debt recovery agency, as a last resort.

Risk area 2 - Financial risks	Likelihood	Impact	Score	Current arrangements	Owner	Frequency	Comments
Additional SLA/software costs related to McCloud & O'Brien Remedy exercises	1	3	3	SLA reviewed annually by LPB for both performance and costs	ACO People Services	Ongoing	Invoices are checked when received to ensure costs are as expected. Additional costs have been incurred as a direct result of the remedy exercises, relating to software changes etc. Annual budget included in budget setting plan
McCloud & O'Brien – costs that will need to be met by the Service, that cannot be charged to the Pension Fund Account.	3	3	9	These are national exercises which are being carefully monitored via a number of mechanisms including: bulletins and circulars, updates to the FRA, dialogue with the Welsh Government, SABW discussions, regular LPB updates, national legal advice, liaison with rep bodies, engagement with Scheme Administrator and the LGA. Internal review to consider data flows and administrative burden.	Scheme Manager/Head of Finance	Ongoing	<p>The financial implications of the increase in Employer Contributions will be built into the scheme valuation exercise, which is undertaken every 4 years and the costs of the historic changes to scheme membership relating to the remedial years of service, will be funded by WG through the Top Up Grant process, on an annual basis.</p> <p>The residual risk relates to costs that cannot be charged to the pension fund and must be paid for through the Services own revenue accounts. i.e. Compensation, Interest and Tax Adjustments. Whilst WG have stated that they will not be funding these revenue costs, it is hoped that funding maybe come available in the future.</p>
4 Yearly Pension Scheme Valuation – Risk of increased employer contributions relating to McCloud & O'Brien, in the future	3	3	9	The 2020 valuation exercise was completed in March 2024 and confirmed an increase in employer contributions from 27.3% to 31%. Some funding is anticipated, from WG, but not guaranteed	Scheme Manager/Head of Finance	Annual	Risk outside of control of the Scheme Manager. Increased contributions will be applicable from April 2024; budgets have been amended to reflect the increase for 24/25.
Pension fund accounting for costs relating to the McCloud & O'Brien remedy exercises	2	3	6	The Pensions Team and the Finance Department are working closely together to ensure that the allocation of the related costs are recorded correctly. These will be monitored across the lifetime of the projects.	Head of Finance	Annual	Due to the complexities of the costs and charges relating to these exercises, there is a risk that costs could be recorded incorrectly, thus affecting whether funding can be utilised or not.

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Risk area 3 – Funding Governance	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
The frequency and cost of Ill Health Retirements from the Service increasing	1	3	3	<p>Ill health retirement pensions are monitored and factored into future valuations by the Government Actuary Department excluding Injury Awards etc.</p> <p>Occupational Health Management Board in place to review all long-term sicknesses and monitor potential ill-health retirement cases.</p>	ACO People Services	Annually	<p>The cost of early retirements by means of IH are partially funded by the Service directly and not the Pension Fund. Additional costs are charged to the Revenue account between the date of retirement and normal retirement age.</p> <p>Case history details provided, and approval given by OH Board in order for an IQMP assessment to be taken forward.</p>
Failure to deduct correct contributions from pay	1	4	4	The calculation of the employee contribution is automated within the payroll system. This system is subject to both internal and external review.	Payroll/ Pensions Manager	On going	Both the Payroll and Pensions Team are involved in the calculation of pensionable pay and the correct percentage rate applied for contributions.

Failure to manage the Firefighters Pension Fund correctly	2	4	8	Guidance is provided by the LGA and Welsh Government circulars. Training and guidance is available for Pensions and Finance teams on tax and accounting matters through LGA.	Scheme Manager	Annual	The correct management and treatment of costs charged to the Pension Fund is periodically audited by both internal & external audit providers.
Employer failure to pay contributions into scheme	1	4	4	Monthly pension contributions are paid into the Pension Fund directly from Payroll and reconciled by the Finance Team. The pension fund is subject to annual audits.	Payroll & Finance Teams	Monthly	Rigorous checks are undertaken on a monthly basis, by the Finance Team. Deductions from payroll are made automatically and charged to the Pension Fund by the system.

Risk area 4 – Regulatory Compliance	Likelihood (1 least likely 5 most likely)	Impact (1 least likely 5 most likely)	Score (likelihood x impact)	Control	Owner	Test	Comment
Compliance with regulatory changes	2	3	6	<p>All regulatory changes are published by Welsh Government through the use of formal Circulars.</p> <p>Both the FRS and the pension scheme administrators receive these circulars. Confirmation within Administrators Report that circulars have been applied is presented at all LPB meetings.</p> <p>Information on all Circulars received is provided to LPB Members at every meeting in order to keep members updated on all regulatory changes.</p> <p>Application of any legislative changes can be audited by internal and external audit to ensure that that the correct legislative approach has been applied.</p> <p>The FRS responds to all consultations relating to the Firefighter Pension Schemes and these are shared with the LPB for awareness and information.</p>	Scheme Manager	Ongoing	<p>The Service attends the Scheme Advisory Board Wales meetings and other events to keep up to date on matters around with regards legislative changes.</p> <p>The Service has access to updates provided by the LGA by means of a member area, on their website, technical log and Bluelight enquiry email.</p> <p>Attendance at the All Wales Scheme Advisory Board with joint working across Welsh FRAs.</p> <p>Also, development and appointment of an all Wales Technical Lead role to strategically support the FRs and local teams.</p>

Failure to report breaches of the law to the Pensions Regulator	1	3	3	<p>Breaches of Law training is provided as part of the TPR LPB Training package, which all LPB members are required to undertake.</p> <p>Complaints and disputes are monitored, and information received from the Service by Pension Scheme Administrators to the Local Pension Board.</p> <p>There is a requirement for any and all breaches, considered to be material, to be self-reported, to the TPR, by the Service or LPB.</p>	Scheme manager	Annual	<p>LPB Members are expected to understand when and how Breaches of the Law should be reported.</p> <p>Training on this topic is included in the TPR Online Training Package, which all LPB Members are required to undertake as part of their role on the LPB and the Service assumes that this training has been undertaken by all members.</p>
Breach of general data protection regulations resulting in complaints and claims from scheme members and their beneficiaries	2	3	6	<p>Reliance is placed on the Fire and Rescue Authority's GDPR arrangements.</p> <p>All staff receive training and are aware of their personal responsibilities in reporting any potential GDPR breaches to the Services Information Governance Team.</p> <p>Contractual arrangement with Administrator (SLA) includes GDPR clause and breaches would need to be reported to the Service.</p>	Scheme manager	Ongoing	<p>All staff have undertaken the Service's in-house training and are aware of their responsibilities regards this topic.</p> <p>Our Pensions Scheme Administrators have their own GDPR policy, with any Pensions related breaches being both reported to the regulator and the Service.</p>
Failure to interpret rules or legislation correctly	2	3	6	<p>Interpretation of pension scheme rules is down to local interpretation, which is the responsibility of the Scheme Manager for each Service.</p> <p>Each meeting of the Local Pension Board includes training for members, TPR training and educational material is available to members and training is available from the LGA, which provided on a monthly basis</p>	Scheme manager	Annual	<p>Updates are provided to members on new and emerging issues as appropriate and there is an expectation that LPB Members will keep themselves current with circulars received and changes that are publicised in order that they can support or challenge the interpretation afforded by the Service locally.</p>

				<p>online. All LPB Members are encouraged to attend as often as they can.</p> <p>Technical advice and updates are received from the LGA with regular practitioner meetings on key issues and LGA technical bulletins are published on a monthly basis.</p> <p>Additionally, Welsh Government circulars are received and reviewed.</p> <p>A joint role is in place between South Wales FRS and North Wales FRS to provide strategic and technical support and there is regular engagement between the Services, in Wales.</p>			
Conflicts of interest	1	2	2	<p>Pension board members are provided with training on Conflicts of Interest through the TPR online Training package that they are expected to undertake as part of their role on the LPB.</p> <p>They have a personal responsibility to understand what a conflict of interest is and whether they are impacted, at each LPB meeting.</p>	Local Pension Board Chair	During each LPB meeting	All pension board members have completed educational material and at the start of each meeting are asked to declare any conflicts of interest, with regards any of the agenda items to be discussed.

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SOUTH WALES FIRE & RESCUE SERVICE

AGENDA ITEM NO 9
8 JULY 2025

LOCAL PENSION BOARD COMMITTEE

REPORT OF THE ASSISTANT CHIEF OFFICER, PEOPLE SERVICES

PENSIONS DASHBOARDS

THIS REPORT IS FOR INFORMATION

REPORT APPROVED BY ASSISTANT CHIEF OFFICER, PEOPLE SERVICES

REPORT PRESENTED BY ASSISTANT CHIEF OFFICER, PEOPLE SERVICES, ALISON REED.

SUMMARY

Pensions dashboards allow individuals to see their pensions information, including their State Pension, for free in one place online at a time of their choosing. Pensions dashboards also reunite savers with lost or forgotten pensions. This report provides further detail on the Pensions Dashboards programme and sets out the onboarding timetable and shares the preparation checklist for use by employers.

RECOMMENDATIONS

1. Members note the content of this report including the preparation checklist at Appendix 1 which has been updated to reflect the current position.

1. BACKGROUND

- 1.1 A duty of Authorities/Scheme Managers set out in the Pensions Dashboards Regulations 2022 is to connect with and supply pensions information to savers through dashboards.
- 1.2 The Department for Work and Pensions (DWP) has set out a staged timetable for schemes to connect to the dashboard digital architecture. Schemes are asked to connect over time according to their size and type. All schemes in scope must be connected by 31 October 2026 at the latest. The Fire Sector has been informed that it needs to onboard by 31 October 2025.

- 1.3 The Service is working with its Pensions Administrator to assess the impact of the changes and plan how the Service will meet its dashboard duties. The checklist at Appendix 1 has been updated to reflect the current status of this piece of work.
- 1.4 Pensions dashboards are digital services – apps, websites or other tools that allow savers to see their pension information in one place. This includes information on their State Pension. Pensions Dashboards will not show pensions that are already being paid.
- 1.5 An individual can use dashboards to issue a search of the records of all connected pension schemes, to confirm whether or not they are a member.
- 1.6 Dashboards aim to help members plan for retirement by:
 - finding their various pensions and reconnecting them with any lost pension pots
 - understanding the value of their pensions in terms of an estimated retirement income
- 1.7 Dashboards duties will apply to the trustees or scheme managers of:
 - registrable occupational pension schemes with 100 or more relevant members
 - public service pension schemes

2. ISSUES

- 1.1 There are no immediate issues to report. Members should note the timeline of 31 October 2025 for onboarding to the dashboard.
- 1.2 The Pensions Regulator preparation checklist at Appendix 1 will be used by the Service in conjunction with its Pension Administrator, RCT Pensions, to assess readiness for onboarding.

3. FINANCIAL IMPLICATIONS

- 3.1 None arising directly.

4. EQUALITY RISK ASSESSMENT

- 4.1 The impact assessment can be found here:
<https://www.legislation.gov.uk/ukia/2022/81>

5. REPRESENTATIVE BODY CONSULTATION

- 5.1 The consultation and responses on this national project can be found here:

<https://www.gov.uk/government/consultations/pensions-dashboards-consultation-on-the-draft-pensions-dashboards-regulations-2022/pensions-dashboards-consultation-on-the-draft-pensions-dashboards-regulations-2022>

6. RECOMMENDATIONS

- 6.1 Members note the content of this report including the preparation checklist at Appendix 1 which has been updated to reflect the current position.

Contact Officer:	ACO Alison Reed Director of People Services
Background Papers:	Appendix 1 – The Pensions Regulator Preparation Checklist

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Preparation checklist	Relevant guidance	Your status comments	Complete
Start now: general tasks			
Establish pensions dashboards as a regular agenda item at board meetings	Overview – your role and legal duties	Completed.	✓
Check your ‘connect by’ date	When your scheme needs to connect with dashboards	31 October 2025	✓
Discuss pensions dashboards with your administrator and other relevant parties (such as software provider, actuary, legal adviser, employer, additional voluntary contribution provider) to develop and agree practical delivery plan according to your scheme-specific situation	Overview – working with advisers and providers	Completed. We will onboard via our existing contractor.	✓
Explore your route to connection – either building own interface or using a (new or existing) third-party solution	Connecting to pensions dashboards – choosing a digital interface	Completed. We will use our existing interface.	✓
Decide when to connect your scheme, taking relevant guidance into consideration, and assessing the risks associated with your decision	When your scheme needs to connect with dashboards	Deadline of 31 October 2025 has been set.	✓
If required, appoint new suppliers or revise contracts for existing suppliers	Connecting to pensions dashboards – choosing a digital interface	Not required as will be done through existing contractor.	✓

Preparation checklist	Relevant guidance	Your status comments	Complete
Start now: data tasks to match people with their pensions			
Understand what personal data you will receive from the digital architecture to help you match members to their pensions	Matching people with their pensions	Existing data and interface will be utilised.	✓
Assess the quality and digital accessibility of personal data in your records	Matching people with their pensions	Annual assessment is undertaken with assessment of very good quality of data.	✓
Consider which data items you will use to confirm matches are made or that there are possible matches	Matching people with their pensions	ISP Portal enables contractor to set and amend matching criteria. Testing and understanding of outcomes being undertaken. Contractor to liaise with SWFRS to agree matching criteria.	<input type="checkbox"/>
Where your member personal data needs improving, put plans in place to deliver the improvements	Matching people with their pensions	Data cleansing functionality available from software supplier to be considered by contractor. Pension Scheme Members are encouraged to register for My Pension On-line which allows individuals to keep their data up to date.	<input type="checkbox"/>

Preparation checklist	Relevant guidance	Your status comments	Complete
Start now: data tasks to provide information to members			
Understand what data you will need to return to members and by when	Information to provide to members	Contractor to deal. Timescales outlined in Dashboard requirements. Resource to deal with increase in member queries being considered by contractor.	<input type="checkbox"/>
Assess the quality and digital accessibility of the data that will be provided to your members	Information to provide to members	TBC	<input type="checkbox"/>
Consider how you will calculate the value data so that it is provided in line with dashboard requirements – calculated in line with ASTM1 or scheme rules, and sufficiently recent	Information to provide to members	Pensions Administration Software will provide Dashboard compliant data views that will provide information back to the Dashboard	<input type="checkbox"/>
Where value data is not in line with dashboard requirements, put plans in place to ensure you can meet your dashboard duties	Information to provide to members	N/A – To be monitored	<input type="checkbox"/>

Preparation checklist	Relevant guidance	Your status comments	Complete
Ongoing actions			
Stay up to date with developments to the regulations, Money and Pensions Service standards and relevant guidance	Stay in touch with developments		<input type="checkbox"/>
Check that your team and suppliers are on track to deliver	Overview – working with advisers and providers		<input type="checkbox"/>
Record key decisions and progress as per your existing governance processes	Ongoing connection and record-keeping requirements		<input type="checkbox"/>
Review and update your Data Protection Impact Assessment (DPIA) in line with your data improvement plan	Matching people with their pensions – preparing your data for matching		<input type="checkbox"/>

THIS REPORT IS NOT EXEMPT AND IN THE PUBLIC DOMAIN**SOUTH WALES FIRE & RESCUE SERVICE**AGENDA ITEM NO 10
8 JULY 2025

LOCAL PENSION BOARD COMMITTEE

REPORT OF THE DIRECTOR OF PEOPLE SERVICES

PUBLICATIONS, UPDATES, INFORMATION**THIS REPORT IS FOR INFORMATION**REPORT APPROVED BY THE DIRECTOR OF PEOPLE SERVICES
REPORT PRESENTED BY THE DIRECTOR OF PEOPLE SERVICES,
ASSISTANT CHIEF OFFICER, ALISON REED**SUMMARY**

This report shares relevant publications, updates and information relating to pension matters, with Members of the Local Pension Board

RECOMMENDATIONS

That Members review and note the publications which are shared for information and awareness purposes. These are attached to the report as Appendix 1.

1. BACKGROUND

- 1.1 To support Local Pension Board Members discharge their duties, this report shares recent relevant publications in relation to pension matters. These are not limited to fire pensions.

2. ISSUES / IMPLICATIONS

There are no issues arising as a result of this report.

3. RECOMMENDATIONS

- 3.1 That Members review and note the publications which are shared for information and awareness purposes. These are attached to the report as Appendix 1.

Contact Officer:	Alison Reed Director of People Services
Background Papers	Appendix 1 (FPS Bulletins 89, 90, 91 & 92)

Appendix 1**PUBLICATIONS, UPDATES, INFORMATION (STANDARD ITEM)**

<https://fpsregs.org/images/Bulletins/Bulletin-89-January-2025/FPS-Bulletin-89-January-2025-v2.pdf>

<https://fpsregs.org/images/Bulletins/Bulletin-90-February-2025/FPS-Bulletin-90-February-2025.pdf>

<https://fpsregs.org/images/Bulletins/Bulletin-91-March-2025/FPS-Bulletin-91-March-2025-v1.2.pdf>

<https://www.fpsregs.org/images/Bulletins/Bulletin-92-April-2025/FPS-Bulletin-92-April-2025.pdf>

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AGENDA ITEM NO 11

Forward Work Programme for Local Pension Board Committee 25/26

Expected Date of Report	Report Name	Purpose of Piece of Work	Information or Decision	Lead Director/ Contact Officer	Progress
8 July 2025	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	On Agenda
8 July 2025	Public Sector Pension Scheme Legislation	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	On Agenda
8 July 2025	Service Level Agreement	Annual review by Members of the SLA	Information	Alison Reed	On Agenda
8 July 2025	Review of Risk Register	To provide a review of the Risk Register	Information	Alison Reed	On Agenda
8 July 2025	Pension Dashboard Onboarding	To provide an update on the work undertaken to meet the October 2025 deadline	Information	Alison Reed	On Agenda

8 July 2025	Recent publications, newsletters, information	To update Members	Information	Alison Reed	On Agenda
21 October 2025	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	
21 October 2025	Public Sector Pension Scheme Legislation	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	
21 October 2025	Internal Dispute Resolution Procedures	Annual update on IDRP cases	Information	Alison Reed	
21 October 2025	Pension Dashboard Onboarding	To provide an update on the work undertaken to meet the October 2025 deadline	Information	Alison Reed	
21 October 2025	Recent publications, newsletters, information	To update Members	Information	Alison Reed	
21 October 2025	Prepare for a new Chairperson for Local Pension Board Committee	Seek approval from Committee Members in sourcing a new Chairperson for the Local Pension Board Committee	Information	Alison Reed	
17 February 2026	Review of Key Performance Indicators	A review of the KPIs agreed with our Pensions Administrator, RCT.	Information	Ian Traylor, RCT	

17 February 2026	Public Sector Pension Scheme Legislation	Update on progress in relation to McCloud and O'Brien.	Information	Kim Jeal	
17 February 2026	Review of Risk Register	To provide a review of the Risk Register	Information	Alison Reed	
17 February 2026	Pension Dashboard Onboarding	To provide an update on the work undertaken to meet the October 2025 deadline	Information	Alison Reed	
17 February 2026	Recent publications, newsletters, information	To update Members	Information	Alison Reed	

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AGENDA ITEM NO 12

**To consider any items of business that the Chairperson deems urgent
(Part 1 or 2)**

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AGENDA ITEM NO 13

Any items to report back to the Board of Commissioners Committee

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1. Apologies for Absence
2. Declarations of Interest

Attendees are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the South Wales Fire and Rescue Authority (Exercise of Functions) (Wales) Directions 2024 and the Local Government Act 2000.

3. Chairperson's Announcements
4. To receive the minutes of;
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- REPORTS FOR INFORMATION**
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7. Public Sector Pension Scheme Legislation – McCloud and O'Brien Remedy Exercises and the Pensions Dashboard Project 9
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