

South West Region Police Pension Board – Annual Report 2024/5

Introduction

The South West Region Police Pension Board (SWRPPB) was established in September 2015 in accordance with the requirements of The Public Service Pension Act 2013.

Unlike other public service pension schemes such as the NHS, teachers and the civil service, the police pension scheme is not a single national scheme and each of the police forces in the United Kingdom operates its own pension scheme. These pension schemes are the responsibility of the scheme manager, who by law is the senior police officer of each force (usually the Chief Constable). The police pension regulations require each scheme manager to establish a pension board, but allow for such a board to assist more than one scheme manager. The Chief Constables (scheme managers) of the police forces of the South West Region (Avon & Somerset, Devon & Cornwall, Dorset, Gloucestershire and Wiltshire) have agreed that a single pension board is a cost effective and efficient method of achieving this aim.

The Board represents the relevant bodies interested in the police pension schemes, namely:

Scheme Managers	(Chief Constables)
Employers	(Regional Police Forces)
Active Members	(serving police officers)
Retired Members	(pensioners)
Dependent members	(usually widows/widowers and children of pensioners)
Deferred Members	(police officers who have left service, but who are not yet eligible to draw their benefits)

The annual report is primarily a summary of the Board meetings held and the key topics reviewed throughout the previous year. Detailed minutes of the Board meetings are published on the relevant police force websites. The annual report covers the main issues discussed during the year and comments on the performance of the administrators of the police pension schemes. This year's report has been extended to 01 April 2025 to include relevant commentary on the publication of Remedy statements as required by 31 March 2025.

Purpose of the Board (Terms of Reference)

The purpose of the SWRPPB is to 'assist the scheme managers' (the Chief Constables) in administering the police pension schemes; providing advice on matters including compliance with scheme regulations and requirements imposed by the Pensions Regulator; ensure the efficiency and effective administration of the schemes; advise on communications with members; monitor complaints.

In common with the pension schemes of all other UK police forces, the SW Police Pension Schemes are unfunded 'pay as you go' schemes and the SWRPPB has no

responsibility for the funding of the schemes, but rather is primarily focused on the delivery of the various police pension schemes which are administered under contract. For 2024 this continued to be via two providers: XPS Pensions Group (XPS), (a FTSE 100 company), for Devon & Cornwall, Dorset, Gloucestershire and Wiltshire Police Forces and by Peninsula Pensions (part of Devon County Council and a shared service with Somerset Council) for Avon & Somerset Police.

Membership

The membership of the SW Police Pension Schemes as at 31 December 2024 was reported as follows. The numbers vary slightly from month to month and from Force to Force, but overall represent a membership of approximately 90-95% of eligible police officers.

	Active Members	Pensioners & Dependents	Deferred	Total
Avon & Somerset	2986	4832	1094	8912
Devon & Cornwall	3661	4873	957	9491
Gloucestershire	1320	1952	490	3762
Dorset	1430	2142	471	4043
Wiltshire	1250	1784	408	3442
Totals	10,647	15,583	3,420	29,650

The Pension Board

The Police Pension Scheme Regulations state that police pension boards should have an equal number of representatives from both employers and members. As allowed by the Regulations the Scheme Managers have appointed an independent person to fill the role of Chair.

During 2024 there were eleven members of the SW Region Police Pension Board. The letters following each name indicates meeting attendance (month), with Boards sitting quarterly:

Ian Pollitt CBE	Chair (Independent) March, June, September, December 2024, January 2025
Jim Purkiss	Member (Police Federation) M, J, S, D, Jan
Tony Henley	Member (Police Federation) J, S replaced by
Trina Phillips	from December mtg + Jan 25
John Derryman	Member (Chief Police Officers Staff Association) D, Jan
Supt Antony Hart	Member (Superintendents' Association) M, J, S, D
Richard Wand	Member (National Assoc Retired Police Officers) M, J, S, D, Jan 25
Nick Adams	Employer (Avon & Somerset Police) M, S, Jan 25
Sandy Goscomb	Employer (Devon & Cornwall Police) M, replaced by
David Wilkin	Jan 25

Neal Butterworth	Employer (Dorset Police) J, S, Jan
Matthew Ulyatt	Employer (Gloucestershire Police) Jan 25
Dawn Young	Employer (Wiltshire Police) M, J, S

Members were represented by their deputies as required:

Ian White	Member (Police Federation) D
Ian Thompson	Member (Supts' Assoc) Jan 25
Claire Hargreaves	Employer (Avon & Somerset) J
Lisa Adams	Employer (Glos Police) M, J
Alexandra Garfath-Cox	Employer (Glos Police) S

Guests:

Richard Hicks	Strategic Pension Lead (Dorset Police/Devon & Cornwall Police) M, J, S, D
Claire Neale	National Police Chiefs Council for June 24 meeting
Kevin Courtney	National Police Chiefs Council for June 24 meeting
David Wilkins	Managing Director XPS for June meeting

In addition, several officials attended the board meetings as required. These included:

Carrie Chapman	Minute Taker (Devon & Cornwall Police) D, Jan 25
Tracey Bolt	Minute Taker (Devon & Cornwall Police) J
Bex Ousley	Minute Taker (Devon & Cornwall Police) M
Danielle Pearce	Minute Taker (Devon & Cornwall Police) S

Representatives of XPS pensions administration team and Peninsula pension administration team joined for part-only as invited for specific business input.

Board Meetings

Pension regulations do not stipulate a minimum, or maximum number of meetings required per year. The Pensions Regulator recommends that boards meet 4 times per year and the experience of the SWRPPB is that this is a reasonable frequency for a pension board to meet. Accordingly, the SWRPPB meets quarterly. During 2024 they met on the following dates:

14 March 2024 (M)	- held online
06 June 2024 (J)	- held at Exeter Police Station
05 September 2024 (S)	- held on line
18 December 2024 (D)	- held on line

The employer representatives were unavailable for the Dec 24 meeting, and consequently an additional meeting was held on 30 January 2025 (Jan) at Dorset Police HQ.

Access to the Pension Board Minutes & TORs

Each of the 5 Forces served by the Board hosts the Terms of Reference and minutes on publicly accessible areas of their Police web pages:

[Avon and Somerset](#)

[Devon and Cornwall Police](#)

[Dorset Police](#)

[Gloucestershire Police](#)

[Wiltshire Police](#)

Conflicts of Interest

All members of the Board are required at each meeting to declare any conflicts of interest that may affect their ability to carry out their duties. No conflicts of interest were recorded during the Quarterly meetings covered by this report. Members have been reminded that membership of the Pension Board requires observance of the '7 Nolan Principles' for standards in public life.

<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

Training & Development

All Pension Board members have completed the relevant public service pensions on-line training modules as published by the Pensions Regulator. Additional training is generally provided by verbal/written updates from the Chair, technical briefings on an item-by-item basis, supported by external briefings where possible. For example, the Board received a briefing from XPS on Cyber Threats and Defences at the March Board.

In addition, during the year the Chair issued amended documents to Board members. These included Terms of Reference; Reporting Breaches; Knowledge and Understanding Policy; Training Assessment and a revised Risk Register. The new documents were the result of a review the Chair had undertaken with the Pensions Regulator of Board documents.

Role of the Board

The role of the Pension Board is to ensure that the police pension schemes are properly administered in the interests of both the members of the schemes and the employers, represented on the Board by all the Regional Police Forces. Put simply, the Pension Board's role is to assist the Scheme Managers in ensuring that 'the correct pension is paid to the right person at the right time'.

Accordingly, during the reporting period, the Board has been briefed on a number of issues relevant to the management of the scheme and the most significant of these are described below:

Issues Discussed

Scheme Sanction Charge:

Scheme Sanction Charge: When an officer retires, they are entitled to receive 25% of their 'pension pot' as a tax-free lump sum, with a corresponding reduction in their monthly pension payment. The Police Pension Scheme Regulations allow for larger sums to be taken, but tax is then applied at a rate of 40%. There is also an additional charge on the excess lump sum known as the Scheme Sanction Charge (SSC) which is applied at a rate of 15%. A number of Police Forces*, deducted this additional charge from the member. In October 2022, the National Police Chiefs Council advised Forces that the SSC should not be levied on members but paid by the respective Scheme Manager.

*Avon & Somerset Police and Gloucestershire Police confirmed they had not applied the SSC to their members pensions.

Devon & Cornwall, Dorset and Wiltshire Police had applied the SSC, but ceased wef April 2023 following the receipt of the NPCC legal advice. NPCC later confirmed that officers who had paid the SSC were entitled to a refund. 333 pensioners were eligible for a SSCs refund in Devon & Cornwall; 124 in Dorset and 137 in Wiltshire.

McCloud Pension Remedy: This subject has continued to dominate Board discussions during the reporting period. Remedy is a standing agenda item at each quarterly meeting and both Administrators present on the subject to Board Members, allowing representatives to question progress, raise concerns and issues and share member experiences. The number of members within the South West Region affected by Remedy is approximately 7,000 representing some 65% of scheme membership. Further information regarding Remedy is available at:

[South West Regional McCloud Pension Remedy Updates and Communication portal.](#)

www.policepensioninfo.co.uk

Background. In 2015, the government introduced reforms to public service pensions, including police officer and civilian staff. Most members were moved into reformed career average 'CARE' pension schemes. For police officers this was the 2015 Police Pension Scheme (PPS15). In June 2019, the Supreme Court refused the Government permission to reverse the Court of Appeal's December 2018 judgment in the McCloud and Sargeant cases. The judgement found that both the judges' and firefighters' pension schemes became unfavourable to some of their members when the career average arrangement was introduced in 2015. The courts deemed that the transitional protections offered to some members of the judicial and firefighters' pension schemes, who were closer to retirement age, had discriminated against younger members who were not eligible for protection. The Government accepted the ruling and decided it should apply to all public service pension schemes including the Police. Consequently, work began to remove the discrimination and offer the affected members the opportunity to re-join their original pension schemes for the relevant time period 2015 - 2022. This work is known as Remedy. (Note: one

consequence of the legal judgment was that all members of the pre 2015 police pension schemes were transferred to the Police Pension Scheme 2015 on 01 April 2022).

The delivery plan for Remedy required that all affected police pension scheme members were to receive a revised pension statement by no later than 31 March 2025, showing their retirement benefits, expected or real in the 2 schemes relevant to that member, usually the 2015 scheme and their previous scheme eg 1975 or 2006 scheme. During 2024 through until 31 March 2025 a significant number of Remedy statements were issued to scheme members to enable them to make decisions whether to remain in their current pension scheme or revert back to their previous scheme. However, not all members were issued with a statement and subsequently 4 Forces* within the South West Region reported breaches (of the pension regulations) to the Pensions Regulator. *Avon & Somerset Police considered the small number of non-issued statements to not be 'material' as defined by the Pension Regulator and therefore not subject to declaration as a breach.

It is worthy of note that the South West Police Forces were not alone in failing to produce all the Remedy statements by the due date. To the best of the Board's knowledge no police force in England & Wales met the target. The situation for other public service pension schemes was far worse than that of the police. For example, the Civil Service, Armed Forces and NHS were not due to begin production of statements until later in 2025.

The following commentary and statistics have been taken from the Breach Reports submitted to the Pensions Regulator by the South West Region Scheme Managers representing Devon & Cornwall, Dorset, Gloucestershire and Wiltshire Police Forces. All these Forces are administered by XPS and the reports detailed progress @ 31 March 2025, the deadline for the issue of Remedy statements.

Remedy Statement Production

The Forces collaborated extensively with their third-party administrators (XPS) throughout the year prior to the preparation and release of the relevant statements with the intention to achieve the outcomes required by the statutory deadlines. They shared all data requirements with XPS well in advance of the production of the key documents, addressed any arising data queries and produced the Government Actuary's Department (GAD) calculations required. However, due to the complexities of Remedy, the late availability of the necessary software (first week of August 2024) which delayed the ABS processes, and the subsequent need for significant additional data / error checking, a number of statements were not produced and sent to the member by the statutory deadline. Additionally, some statements (Pension Sharing Orders) were delayed awaiting guidance from GAD.

On the 15 April 2025 the South West Region Police Pensions Board discussed the 31 March 2025 position in regard to statement production and the Board agreed that reporting a breach was appropriate.

Reportable breaches

Breach 1: **Immediate Choice- Remedial Service Statements (IC-RSS)** failure to issue 100% of in scope statements by deadline of 31st March 2025

Breach 2: **Annual Benefit Statements-Remedial Service Statements (ABS-RSS)** failure to issue 100% of in scope statements by deadline of 31st March 2025

Breach 3: **Deferred Choice Annual Benefit Statements-Remedial Service Statements (DC-ABS-RSS)** failure to issue 100% of in scope statements by 31 March 2025

Avon & Somerset			
In scope	Remaining	% complete	XPS breakdown
1031	301	70.8%	IC-RSS
1407	83	94.1%	ABS-RSS
226	30	86.7%	Deferred choice ABS-RSS

Devon & Cornwall			
In scope	Remaining	% complete	XPS breakdown
1187	248	79.1%	IC-RSS
1621	24	98.5%	ABS-RSS
150	76	49.3%	Deferred choice ABS-RSS

Dorset			
In scope	Remaining	% complete	XPS breakdown
446	157	64.8%	IC-RSS
675	7	99.0%	ABS-RSS
84	37	56.0%	Deferred choice ABS-RSS

Gloucestershire			
In scope	Remaining	% complete	XPS breakdown
396	126	68.2%	IC-RSS
593	20	96.6%	ABS-RSS
82	40	51.2%	Deferred choice ABS-RSS

Wiltshire			
In scope	Remaining	% complete	XPS breakdown
410	131	68.0%	IC-RSS
427	7	100.0%	ABS-RSS
63	58	7.9%	Deferred choice ABS-RSS

Next Steps / Recovery Plan

At the time of publication of the Annual Report, both XPS and Peninsula were working hard to publish outstanding statements. However, Data was still outstanding from other 3rd parties (other police Forces, public service employers e.g. civil service) and legislation was still required to cover eg the treatment of pension sharing orders. The Board will continue to engage with both pension administrators until all statements are published.

Administration. In last years' report I commented on the planned NPCC study of the costs and benefits (or disbenefits) of the current police pensions administration arrangements. Currently each Force administers their own pension schemes, and there is an argument that the administration, both in terms of governance and managing schemes could be more efficiently managed centrally, perhaps with one pension board and one administrator. Disappointingly the Board has not received an update on the findings of the study. It is hoped that the Board will hear soon on what is planned and can then discuss how this will be implemented in the South West Region.

The Board was informed that access to the Internal Dispute Resolution Process (IDRP) for complaints was difficult to find on the XPS website. This compared poorly with the Peninsula website which had clearly identified access to the IDRP process. The Board requested that XPS address this shortcoming and was pleased that XPS responded positively and that access is now much clearer for members to both find and use.

The Board acknowledges that both pension administrators, XPS and Peninsula have faced the challenge of higher than usual workloads during 2024, primarily due to the challenges of Remedy. Consequently, the service provided to pension scheme members has not always been as good as members deserve. Although the end of Remedy work is now on the horizon, it is unlikely service will return to normal during 2025.

Pension Dashboard: The national pensions dashboard project continues at pace and the first private pension schemes were connected to the infrastructure in April. The public service schemes are due to begin connection in October. However, individual access to dashboards will not begin until 2026, possibly in the Spring, though no date has yet been agreed.

The Chair is a member of the Police Dashboard Working Group and further communications to pension scheme members will be issued in due course nearer the 'Go-Live' date when it is announced by the Government. Further information on the Dashboard programme can be found at the link below:

<https://www.pensionsdashboardsprogramme.org.uk/about>

Cost of the Board

The primary costs of the board are the expenses related to the Independent Chair (fees), training and travel expenses for members and administrative resource support e.g., minute taking. The budget for 2024 was circa £10k shared between the 5 SW Region Forces. The majority of meetings are held on line which reduces the travelling time required for meetings held in person. However, in person meetings are considered extremely useful as they enable members and guests to speak on various issues outside the confines of the online meeting. The Board has agreed that at least one meeting per year and preferably two, should be held in person.

Governance & Compliance

As recommended by the Pensions Regulator, the Board maintains a Risk Register as an effective internal control to assist the Scheme Managers. The risks are those potential threats to the schemes that the Board considers require regular scrutiny and action plans in mitigation. The Risk Register is a standing item on the Board's agenda and risks are reviewed, added, removed or adjusted, as the Board considers appropriate.

Once again, the number one risk identified by the Board continues to be the delivery of Remedy.

Referrals to the Pensions Regulator

The Public Service Pensions Act 2013 requires Scheme Managers to report breaches of regulations to the Pensions Regulator. Examples include failure to collect contributions within the prescribed timeframes; failure to issue Annual Benefit Statements and Pension Savings Statements by the due date and failure to maintain correct records of scheme members. Once again, the Board is pleased to report that no breaches of pension regulations were reported to the Board in 2024, and there were no issues which were required to be reported to the Pensions Regulator.

Complaints

In common with all other public service pension schemes, the SW Police Pension Schemes operated by respective employers adopt a formal complaints procedure known as the Internal Dispute Resolution Procedure (IDRP). Every Board meeting includes 'Complaints' as a standing item on the agenda and any IDRP complaints (without naming the case/complainant) are brought to the attention of the Board (case volumes) and included within Performance Reports. The Board focuses its

interest on ensuring that cases are handled correctly, in a timely manner with an interest in any developing trends, concerns, or lessons to be learned.

During 2024 the total number of complaints was 114.

	Complaints	Av per month
Avon & Somerset	14	1.2
Devon & Cornwall	58	4.8
Dorset	24	2
Gloucestershire	13	1
Wiltshire	19	1.5

XPS provides the Board with details of the complaints eg 64 concerned retirement options and 15 concerned inter-force transfers. An increasing number of the complaints concerned Remedy statements, specifically the non-issue and this was expected to increase significantly as a result of the delay in meeting the 31 March publication deadline.

There were 02 formal IDRP complaints during 2024.

Priorities for 2024

1. The number one priority for the Police Pension Board in 2025 will continue to be the delivery of the McCloud Pension Remedy.
2. Preparations for auto enrolment in 2026.
3. Tackling the increase in Opt outs by improving briefings for new members.

Ian Pollitt CBE
Chair
South West Region Police Pension Board

June 2025