

South West Region Police Pension Board – Annual Report 2023

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.

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 2023 this continued to be via two providers: XPS Pensions Group (XPS) for Devon & Cornwall, Dorset, Gloucestershire and Wiltshire Police Forces and by Peninsula for Avon & Somerset Police.

Membership

The membership of the SW Police Pension Schemes as at April 2023 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% of eligible police officers.

	Active Members	Pensioners & Dependents	Deferred	Total
Avon & Somerset	3172	4637	1094	8903
Devon & Cornwall	3469	4620	821	8604
Gloucestershire	1218	1836	455	3439
Dorset	1348	2054	414	3725
Wiltshire	1087	1695	408	3119
Totals	9,882	14,697	3,037	27,616

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 2023 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
Jim Purkiss	Member (Police Federation) M, J
Tony Henley	Member (Police Federation) M, J, S
DCC Nikki Watson	Member (Chief Police Officers Staff Association) M
Supt Antony Hart	Member (Superintendents' Association) M, D
Richard Wand	Member (National Assoc Retired Police Officers) M, J, S, D
Nick Adams	Employer (Avon & Somerset Police) M, D
Sandy Goscomb	Employer (Devon & Cornwall Police) J, S, D
Neal Butterworth	Employer (Dorset Police) M, J, S, D
Jane Heppel (replaced by Neil Chamberlain from June 2023)	Employer (Gloucestershire Police) M,
Clive Barker	Employer (Wiltshire Police)

Members were represented by their deputies as required:

Ian Thompson	Police Federation J
Ian White	Police Federation D

Sarah Holbrook	Employer (Wiltshire Police) J, S, D
Emma Snailham	Employer (Avon & Somerset) J
Claire Hargreaves	Employer (Avon & Somerset) J, S
Lisa Adams	Employer (Glos Police) S
Dawn Young	Employer (Wiltshire) D

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

Carrie Chapman	Minute Taker (Devon & Cornwall Police) M, J, D
Bex Ousley	Minute Taker (Devon & Cornwall Police) S
Richard Hicks	Strategic Pension Lead (Dorset Police/Devon & Cornwall Police) M, J, S, D

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 and during 2023 met on the following dates:

02 March 2023 (M)
29 June 2023 (J)
07 September 2023 (S)
14 December 2023 (D)

Access to the business of the Pension Board

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. An example being when Clair Alcock, Pensions Lead at the National Police Chiefs Council (NPCC) joined the Board meeting in March to provide an update on 'Remedy' issues; this in relation to shared understandings of the McCloud judgment and implications.

Role of the Board

The role of the Pension Board is to ensure that the 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

- a. McCloud Pension Remedy: This subject has undoubtedly dominated Board discussions during the reporting period. The subject is a standing agenda item at each meeting and both Administrators present on the subject to Board Members, allowing in particular member representatives to question progress, raise concerns and issues and share member experiences.

Background. Following the McCloud judgment in 2019 the Supreme Court ruled that it was unlawful for older pension members in the Firefighters and the Judicial Pension Schemes to be given an exemption from the compulsory transfer to the 2015 pension scheme. The Government accepted the ruling but 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 affected time period. This work is known as Remedy. (Note: all members of the pre 2015 police pension schemes were correctly transferred to the Police Pension Scheme 2015 on 01 April 2022. This period is not covered by Remedy).

The NPCC weekly 'pensions chat' continues to offer both pension administrators and police pensions staff the opportunity to discuss Remedy issues. This has proved highly effective in sharing best practice and ensuring all Forces are kept up to date with the latest developments.

The initial stage of Remedy, the issue of Remedial Service Statements (RSS), began in October 2023 for a limited group of Remedy cohorts, primarily those retiring from October 2023 onwards, and previous ill-health retirements. The aim is for all Remedy eligible cohorts to receive their RSS by 31 March 2025 within an advised programme seen as best practice.

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.](#)

Nationally the NPCC created an accessible web facility which is both explanatory, introducing the history and implications of Remedy, leading then to accessible forms and wider 'links. This resource being seen as the 'go to' site for all persons, most especially members affected by McCloud/Remedy. www.policepensioninfo.co.uk

- b. Administration. During 2023, the NPCC commissioned a study to examine both the costs and benefits (or disbenefits) of the current pensions administration arrangements. With 43 Police Forces essentially administering their own pension schemes, 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. Such arrangements are not untypical in other public sector settings and schemes: civil service, teachers, NHS. The Board awaits the outcome of the study with interest.
- c. Medical Examinations. Following a legal decision, the previous requirement for officers to have a medical examination before rejoining the police pension scheme has been dropped. The medical examination *to join the Police* remains. The main beneficiaries will be those officers who have previously opted out of the pension scheme and who then later, perhaps years later, decide to re-join the scheme.
- d. On-line access to pension information. The Board is pleased to report that all Forces in the South West have a higher number of members utilising the Member Self-Service facility than the national average for Police Forces. Active members lead the way with participation rates ranging from 52% - 58%. Members can now access their Annual Benefit statements and other useful pensions information via Self-Service; it is expected that digital access to pensions information will continue to both improve and dominate the member interface with pension administrators. Accordingly, it remains an objective of the Board to seek to promote wider 'sign up' to web-based facilities offered to members by both Pension Administrators.
- e. Overall, the Board was pleased with the performance during 2023 of both pension administrators, XPS and Peninsula. It is clear that both

administrators have faced challenges ranging from recruitment issues to software development for Remedy solutions: both had impacted on their ability to meet targets and manage the increased workloads. Despite these challenges Annual Benefit Statements and Pension Saving Statements had been issued on time in accordance with scheme regulations. Ongoing dialogue continued, especially later in 2023, between NPCC, Pensions Administrators and Forces, supplemented in S/West by tactical level performance meetings; this reflective of the anticipated major challenges for Administrators in discharging the demands of Remedy alongside daily business as usual.

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. A budget was set and observed for 2023 with all 5 SW Region Forces sharing costs. The budget/costs have been *reduced* over recent years, including 2023, due to efficiencies such as online meetings/training which have become common practice since the Covid pandemic and revised ways of working. Typically, the budget/expenditure has reduced to circa £18k per year. The employer representatives are typically Finance Directors and accordingly keep sound oversight and collaboration on such matters.

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.

The most prominent risk identified by the Board continues to be Remedy, primarily to maintain focus on this important issue and also to reflect the concern that the timelines for completion of the related work are both ambitious and short.

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 2023, 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 the year XPS introduced an online complaints process available via the 'members portal'. This had resulted in an increase in the number of broader 'service complaints' received; this distinct from the more formal IDRP platform as a means for flagging and resolution. The Board will continue to monitor these complaints to determine whether the increase is a cause for concern, or a consequence of the ease of access to the process. Overall, the Board is pleased to report that the number of formal complaints regarding the administration of the pension service continue to be very low. With the challenges anticipated for the forward 2024 year, with Remedy in particular, the Board seek to be attentive to any issues or trends, be those less formal or by IDRP.

Priorities for 2024

The McCloud Pension Remedy will undoubtedly continue to be the main focus of both the Board and the pension administrators during 2024. As we move towards the completion deadline of March 2025 the Board will actively engage with both administrators to ensure the relevant targets are achieved; this by way of review of reports and metrics, but equally being cognizant of inputs from member representatives, who can be a key conduit to relay experiences. The Board is under no illusion that the timelines remain ambitious and the risk of failure is high with limited mitigation

A new subject for the Board to monitor during 2024 and beyond is the Pensions Dashboard. This initiative will affect all UK pension schemes, both public and private. Pensions dashboards are *digital services* – apps, websites or other tools – which will enable 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. More information is available at:

<https://www.thepensionsregulator.gov.uk/en/trustees/contributions-data-and-transfers/dashboards-guidance>

Ian Pollitt CBE
Chair
South West Region Police Pension Board

May 2024