

# Cumbria Fire & Rescue Service

**Report to:** Fire Local Pension Board  
**Report of:** CFO Hancock as Scheme Manager  
**Agenda Item No:** 7  
**Date:** 8 May 2025  
**Title:** Monitoring Report for the Period from February 2025 to April 2025

## 1. EXECUTIVE SUMMARY

- 1.1. The monitoring report provides Fire Local Pension Board (“the board”) members detail of any material risk management, policy or governance issues and national regulatory changes relating to the Firefighter Pension Schemes (FPS). Additionally, the report provides any performance issues of FPS for the period February 2025 to April 2025.
- 1.2. Good governance and risk management will aid the Cumbria Commissioner Fire and Rescue Authority (CCFRA) and the Scheme Manager, delegated to the Chief Fire Officer (CFO), in ensuring their regulatory responsibilities are met, a good service is provided to scheme members and costs are controlled.
- 1.3. The monitoring report provides updates on McCloud and Matthews as well as an assessment on risk. The report also includes information on discretions, breaches of law, returns and any other information pertinent to the governance of FPS.

## 2. RISK REGISTER

- 2.1. The board follows accepted best practice across public sector pension schemes in considering any new risks and reviewing previously identified scheme risks at each board meeting as part of the standard agenda.
- 2.2. The risks are recorded on a risk register and scored based on likelihood and impact. Red, Amber, Green (RAG) status reporting is used to categorise risk levels.
- 2.3. The risk register has been reviewed and updated where necessary to reflect developments since the previous board meeting held in February 2025. The risk register as of April 2025 is attached as Appendix A – Risk Register, with a summary of the risks shown in the below table.

Risk Category	Number of Risks
Red	3
Amber	2
Green	8
Total	13

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2.4. The identified “red” risks on the April risk register are:

- 1.4 Data Quality
- 1.6 Sargeant Judgement – risk increased due to missing the RSS deadline and breach reported.
- 2.3 Key personnel & systems – although this risk has reduced it remains high as hosted services remain with the legacy councils.

### 3. MCCLOUD – REMEDIABLE SERVICE STATEMENTS

- 3.1. The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA) came into effect on 1 April 2022. Its purpose was to address the age discrimination identified in the 2015 pension reforms, following the successful legal challenge by the Fire Brigades Union (FBU). The PSPJOA2022 instructed scheme managers to roll back eligible members into their legacy pension schemes (1992, 2006, or Modified Pension Scheme) by 1 October 2023.
- 3.2. Section 29(1) of PSPJOA states- “Scheme regulations for a Chapter 1 legacy scheme must make provision requiring the scheme manager to provide a statement (a “remediable service statement”) in respect of each member of the scheme who has relevant service.”
- 3.3. Section 10(1)(a) of PSPJOA states that the remediable service statement should be issued, “the day after the final day of the period of 18 months beginning with the day on which section 2(1) comes into force.” As the section 2(1) came into force on 1 October 2023 the statutory deadline to provide was 31 March 2025. Failure to meet this deadline would be classed as a breach.
- 3.4. On the 31 March 2025, the scheme manager having consulted with the board Chair, extended the statutory deadline for certain tranches of members. The detail of this extension is provided in Appendix B of this board’s papers.
- 3.5. The below table provides the number of RSS issued as at 31 March 2025 ;

Classification	Eligible	Issued	Not Issued	% Issued
Active	195	158	37	81.03%
Deferred	77	57	20	74.03%
Pensioner	105	75	30	71.43%
Total	377	290	87	76.92%

- 3.6. As not all RSS had been issued by the statutory deadline a breach had occurred and a breach assessment was conducted to determine if the breach was material and should be reported the regulator.

- 3.7. The scheme manager having consulted with the board chair, determined the breach to be material and it was reported to the regulator on 17 April 2025.
- 3.8. The breach assessment is included as Appendix C to this report and provides details on the background to the breach and the interaction with LPPA during this period.
- 3.9. LPPA have confirmed that any member who had not received a RSS by the statutory deadline did receive communications explaining the delay and the reason why.
- 3.10. LPPA are holding internal meetings, and then will notify CFRS of expected completion date of any remaining RSS.

#### 4. MATTHEWS – SECOND OPTION EXERCISE

- 4.1. The Firefighters' Pension Schemes (England) (Amendment) Order 2023, Statutory Instrument 2023/986, amended the Firefighter Pension Scheme 2006 with effect from 1 October 2023. The amendment allowed retained firefighters employed between 7 April 2000 and 30 June 2000, and 1 July 2000 and 5 April 2006, to purchase pensionable service from the date of their contracts.
- 4.2. This project is extremely resource intensive, there are many elements to the process both financial and administrative. This has created a large resource pressure on the pension team, driven by the number of calculations to be produced and contacts to be made with the eligible cohort.
- 4.3. A summary of the overall figures is presented in the below table:

Category	Numbers
Individual located - i.e. have an address on record	634
Individual not located i.e. no address on record	8
Total number of cases which have been sent the initial expression of interest letter	634 - 32 of those are deceased post being notified
Total number of individuals who have replied and expressed an interest	528
Calculators populated	487
Total number of statements issued	456
Total number of cases passed to the administrator for implementation	196
Elections at CFRS	125

- 4.4. LPPA have created a process to allow payments to be made to special pensioner members. One payment was made in March 2025, and four additional payments made in April 2025.
- 4.5. A key internal milestone was met during this period, in that all required calculators have been completed for each member.
- 4.6. As reported in February board, a consultation was being conducted regarding amending the legislation around Matthews. The consultation closed on 15 February 2025. A copy of CFRS consultation response is attached as Appendix C – Matthews Consultation response.
- 4.7. A decision and/or discretion log has been created for members, who for example, are seeking to change elections and make elections outside of the 6 month election period. A copy of the log is provided in Appendix E – Matthews: Record of Decisions/Discretions.
- 4.8. CFRS currently await the Home Office's response to the consultation and any amendments to the legislation.
- 4.9. One of the proposals in the consultation is to increase the end date of the exercise from 31 March 2025 to 31 March 2026. As the consultation response and regulation amendments have not been made prior to 31 March 2025, the Home Office have provided the following statement:

*"the Home Office has prioritised reviewing consultation responses related to the extension and, having considered these responses, can confirm the Home Office's intention to extend the deadline for the 2023 Options exercise. We continue to review the other responses to the consultation and will produce a response to the consultation as a whole in the coming months".*

## 5. CONSULTATIONS

- 5.1. As reported in February board a consultation on amending the firefighter pension scheme contribution bands ran closed on 29 January 2025. A copy of this consultation response is included in these papers as Appendix F – Pension Contribution Consultation Response.

## 6. SCHEME DISCRETIONS

- 6.1. In addition to discretions specifically referenced in McCloud and Matthews sections there has been one scheme discretion exercised in this period. As the discretion relates to one member, the details are provided under Part II papers.

## 7. INTERNAL DISPUTE RESOLUTION PROCEDURE

- 7.1. No internal dispute resolution procedures (IDRP) have been received or heard during the reporting period.

## 8. LEGAL BREACHES RECORDED / REPORTED DURING THE QUARTER

- 8.1. There are no additional breaches reported in addition to that as reported under “McCloud” in respect of RSS.

## 9. RETURNS

- 9.1. During the reporting Period the following returns have been completed:
- A TPR “Pensions Dashboards readiness” survey was submitted on 19 November 2024.

## 10. ADMINISTRATOR PERFORMANCE

- 10.1. Administration of the scheme has been outsourced to Local Pension Partnership
- 10.2. A representative from LPPA attends the quarterly board meeting to provide the board with verbal updates and to take questions from the Board.
- 10.3. Additionally, LPPA provide a “Quarterly Administration Report” that provides details on, for example:
- Total Fund Membership,
  - Casework Performance,
  - Contact Centre Performance, and
  - Common/Scheme Specific Data
- 10.4. To allow members to perform effective governance and oversight of the scheme administration these reports are shared with the board.
- 10.5. The quarter 3 report for the period October 2024 to December 2024 is attached as Appendix G. The quarter 4 report for the period January 2025 to March 2025 will be provided separately, but in advance of 8 May 2025.
- 10.6. Overall operational casework performance continues to trend above the overall Service Level Agreement target (SLA) of 95% at 98.6%. However, the following are beneath the 95% target for their respective SLA in Q4;
- Retirements – Active: 85.7%
  - Correspondence: 88.9%
- 10.7. Helpdesk performance for average call wait time and number of accepted calls for Q3 the average wait time for Cumbria Fire members was 2 minutes and 24 seconds. However, in July and August wait times for 2.5% and 3.3% of calls answered exceeded 15 minutes.
- 10.8. Data quality scores at the end of the quarter had Common Data at 95.2% and Scheme Specific Data at 87.4%. Common Data scores are impacted by “Gender is not Male or

Female” and “Missing State Retirement Date”, and Scheme Specific Data are impacted by “Annual Allowance” and “Care Data”.

## 11. PENSIONS DASHBOARD PROGRAMME

- 11.1. Services are required to connect to the Pensions Dashboard by 31st October 2025. LPPA have put a Project Working Group in place to ensure dashboard compliance.
- 11.2. LGA (Local Government Association) have advised that dashboards should be a standard item on board’s agendas going forward.
- 11.3. LPPA are reporting that the Pensions Dashboard project is “green” on their projects. A “Full Business Readiness assessment” continues and Civica development is ongoing (Civica are LPPA’s Integrated Service Provider for connection to the dashboard ecosystem).

## 12. Training

- 12.1. Board Members continue to be notified of relevant training events (internal and external) as and when they arise and are encouraged to attend.

<u><a href="#">Local Pension Board training</a></u>	16 June 2025 (MS Teams) <i>(fully booked)</i> 17 September 2025 (in person) 22 January 2026 (MS Teams)  Refresher Training: 1 August 2025 (MS Teams)
<b>LPB Chair Forum</b>	29 April 2025 25 June 2025 26 August 2025 30 October 2025

- 12.2. Sessions can be booked via email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk)
- 12.3. Members of the Board will be required to undertake / refresh Information Security Training and members will be notified in due course.
- 12.4. Officers will be working with members to establish what additional training requirements are needed.
- 12.5. Guidance and training material can be accessed by Board Members via the link below to the dedicated Fire Local Pension Board SharePoint site:  
<https://cumbria.sharepoint.com/sites/CLGPS/Shared%20Documents/Forms/AllItems.aspx>

## 13. RESOURCE AND FINANCIAL IMPLICATIONS

- 13.1. There are no additional financial implications based on the specific areas covered in this report, however it is noted that both McCloud and Matthews need to be monitored continuously to mitigate any financial cost.

- 13.2. There are no additional resource implications based on the specific areas covered in this report, however it is noted that both McCloud and Matthews continue to be resource intensive.

#### **14. LEGAL & EQUALITY IMPLICATIONS**

- 14.1. The Matthews and McCloud cases have significant legislative and equality implications. The McCloud judgment led to the PSPJOA2022, addressing age discrimination by rolling back eligible members to legacy pension schemes. The Matthews case resulted in SI 2023/986, allowing retained firefighters employed between 7 April 2000 and 30 June 2000, and 1 July 2000 and 5 April 2006, to purchase pensionable service.
- 14.2. The service continues to monitor all aspects of the above ensuring regulatory responsibilities are met, a good service is provided to scheme members and costs are controlled.

#### **15. RECOMMENDATION**

- 15.1. It is recommended that the Cumbria Fire Local Pension Board receive and note the performance of the Cumbria Firefighters' Pension Scheme (FPS) and any material policy or governance issues and national regulatory changes.

#### **Appendices:**

- Appendix A – Risk Register as of May 2025.  
 Appendix B – Section 29(10)(b) Extension of Statutory Deadline.  
 Appendix C – Record of Breach Assessment – RSS 31 March 2025.  
 Appendix D – Matthews 2<sup>nd</sup> Option Exercise Consultation.  
 Appendix E – Matthews discretion record log  
 Appendix F – Member Contribution Structure consultation response.  
 Appendix G - LPPA Client Report Q3