City of London Corporation Committee Report

Committee(s): CoL Police Authority Board	**Dated:** 23 July 2025
Subject: The City of London Police Pension Board – Review of Activities for the period 1 April 2024 to 31 March 2025	**Public report:** For Information
This proposal: • **provides statutory duties** • **provides business enabling functions**	
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	The Chamberlain
Report author:	Graham Newman – Chamberlain's Department

Summary

This report summarises the activities of the Police Pensions Board (the Board) for the period 1 April 2024 to 31 March 2025. The Police Pension Scheme Regulations 2015 provided for the establishment of a Board with the responsibility of assisting the Scheme Manager (the Commissioner of the City of London Police) in ensuring the efficient and effective governance and administration of the Police Pension Scheme (PPS).

Over the last twelve months the Board:

- continues to review the working practices of the City of London Police Pensions Office including reviews of all letters and documents issued to scheme members, prospective scheme members, leavers and retirees;
- monitored and where appropriate updated the Board's Risk Register ; and
- continues to undertake online training modules with the Pensions Regulator's Toolkit.

The training needs of all Board Members continues to be monitored and training provided as required.

Recommendation

Members are asked to note this report.

Main Report

Background

1. The Public Services Pensions Act 2013 (the 2013 Act) included several provisions regarding better governance and improved accountability for all public-sector pension schemes. As a result, the Police Pension Scheme Regulations 2015 provided for the establishment of a Board with the responsibility of assisting the Scheme Manager in ensuring the efficient and effective governance and administration of the Police Pension Scheme (PPS).

2. The Scheme Manager for the City of London Police Pension Scheme is the City of London Police Commissioner, with responsibility for the administration of the Scheme delegated to the Chamberlain of the City of London Corporation.

The Role of the Police Pension Board

3. The Pension Board sits in an oversight role, to assist the Scheme Manager with ensuring the administration of the Scheme complies with

   - the Regulations;
   - other legislation relating to the governance and administration of the Scheme; and
   - the requirements imposed by The Pensions Regulator in relation to the Scheme.

4. In accordance with the Regulations, the structure of the Board must include an equal number of scheme member and scheme employer representatives. The City of London Police Pension Board consists of 3 scheme employer representatives and 3 scheme member representatives.

5. The 2013 Act makes it a legal requirement that members of the Board do not have a conflict of interest and therefore all members are expected to identify, monitor and manage any potential, actual or perceived conflicts of interest. The Members of the Board are as follows:

   Scheme Employer Representatives:

Deputy Madush Gupta	Elected Member
Superintendent Helen Isaac	Serving CoL Police Officer
Deputy Henry Colthurst	(Deputy Chairman from April 2024) Elected Member

   Scheme Member Representatives:

Mr John Todd	Retired CoL Police Officer
Mr Ray Eaglesmith	(Chairman from April 2024) Serving CoL Police Officer
Mr Alan Yau	Serving CoL Police Officer

   Appendix A sets out the attendance record of each Board Member.

6. In accordance with the Regulations, the Chair of the Board switches between Employer and Member Representatives on an annual basis in April each year.

7. Where the role of Chair is filled by an Employer Representative the role of Deputy Chair must be filled by a Member Representative and vice versa. Therefore, as the Chair switches so too does the Deputy Chair.

Activities of the Board

8. Since April 2024 three meetings have been held – 17 July 2024, 5 November 2024 and 10 February 2025. It is expected that there will continue to be 3 meetings held in every year.

Training

9. Board Members have certain legal responsibilities and must be conversant with the PPS Regulations and the governance and administration of the Scheme to enable them to exercise their role as a Board Member.

10. Members are expected to keep their knowledge and understanding requirements under review. This will allow the training plan to be reviewed and updated as required to meet the training needs.

11. The Pensions Regulator has created an online learning programme, the Trustee Toolkit. The Toolkit is aimed at the board members of occupational pension schemes and Police Pension Board Members have been provided with the necessary details and are expected to undertake all 7 training modules. Completion of the Trustee Toolkit is mandatory for all Board Members and the status of each Member's training is reviewed periodically. It should be noted that as at 10 February 2025, all training modules had been completed by the incumbent Members of the Board.

12. In addition to the training modules provided by the Pensions Regulator, the Pensions Office continues to provide training sessions to Members as and when required.

Annual Schedule of Events

13. In order that the Board is able to monitor and oversee the administration of the Police Pension Scheme an Annual Schedule of Events to illustrate the tasks carried out by the Pensions Office, their deadlines and the actual completion dates of each task is maintained. The Schedule is updated as required and is a standing agenda item for each Board meeting. Included with the Schedule are statistics in respect of of the work carried out by the Pensions Administration team. This information is shown in Appendix B.

Risk Register

14. A risk register has been created to cover the risks in respect of the City of London Police Pension Scheme. The Register is a standing agenda item for each Board meeting and means that potential risks are continually assessed, reviewed and amended or added to or removed from the Register as deemed appropriate.

Documentation and Communication

15. The Board continues to review the working practices of the City of London Police Pensions Office, including all letters and documents issued to scheme members, prospective scheme members, leavers and retirees to ensure optimum clarity as well as accuracy.

Data Protection Act 2018 (GDPR)

16. On 25 May 2018 General Data Protection Regulations were introduced. Part of the requirement of pension schemes is to clearly communicate data use and retention. To meet this requirement, the Scheme Manager of City of London Police Pension Scheme must issue a privacy statement to scheme members.

17. A copy of the City of London Police Force's generic privacy statement was included with the 2019 annual benefit statement that was issued to all serving Police Officers by the Pensions Office. A copy of the privacy statement was also sent separately to all retired officers. A copy of the privacy statement is available to officers upon request.

Breaches of Data Security (Information Commissioner's Office (ICO) GDPR)

18. There were no known breaches during the year.

Breaches of Pension Law (The Pensions Regulator (TPR) code of practice)

19. There were 4 breaches during the year. 3 breaches were in respect of the late production of the 2024 Annual Benefit Statements (1 breach for each of the 3 pensions scheme – 1987, 2006 and 2015). The breaches were reported to the Pensions Regulator in September 2024 and no action has been taken.

20. 1 breach was due a failure to meet the statutory deadline of 31 March 2025 for issuing Remedial Service Statements to a small proportion (2.5%) of eligible members (see paragraph 32 below).

Lord Chancellor and Secretary of State for Justice v McCloud and others

21. The Court of Appeal has ruled that reforms made to the judges' and firefighters' pension schemes were discriminatory on the grounds of age. It was determined that the reforms made to all public sector pensions schemes, including the PPS, were also be deemed to be discriminatory on the same grounds and all public sector pension schemes will need to review their regulations and possibly make amendments to them.

22. On 10 March 2022 the Public Service Pension and Judicial Offices Act 2022 (the Act) received Royal Assent. The main purpose of the Act was to support the implementation of the McCloud remedy in the public service pension schemes and has been implemented in two phases.

23. Phase one took effect from 1 April 2022 and moved all remaining active members of the 'legacy' pension schemes (the Police Pension Schemes 1987 and 2006) into the new scheme (the Police Pension Scheme 2015).

24. Phase two was implemented with effect from 1 October 2023 and gives eligible members the choice between legacy scheme and new scheme membership for the period 1 April 2015 and 31 March 2022.

25. Following the implementation of the Remedy, all eligible members were required to be provided with a Remediable Service Statement (RSS) that showed the value of their pension benefits if they elected to accept the terms of the Remedy together with their alternative benefits should they choose to reject them.

26. The deadline for issuing RSSs was 31 March 2025, but guidance issued by the National Police Chiefs Council recommended issuing RSSs to serving officers

with their Annual Benefit Statements (ABS) which were due by 31 August 2024. The City of London Police made a commitment to serving officers that the RSSs would be included with their annual statements.

27. The Pensions Office endeavoured to meet the 31 August 2024 deadline, but unfortunately issues with regards to collecting the necessary data, late issue of Regulations and accompanying guidance and software developments meant that this target was not met. This was not unique to the City of London Police and was an issue that affected many forces across the country.

28. The 2024 Annual Benefit Statements with accompanying Remediable Service Statements where applicable were issued in 3 batches via the Pensions Office Online Member Portal on 4 September 2024, 11 September 2024 and 13 September 2024.

29. Following the release of the statements it became clear that the demands on the Pensions Office and the Scheme Manager were not reducing as officers continued to have queries and concerns for which answers were not being received, resulting in a lack of confidence and frustration from affected officers. In addition, an error with regards to the collection / repayment of overpaid / underpaid pension contributions being made via the Salaries Payroll occurred in February 2025 which also added to the concerns of affected officers.

30. To ensure the effectiveness of the organisational and operational response to these issues a Gold Group was chaired by City of London Police Chief Operating Officer with representatives from the Pensions Office, CoLP Human Resources, the City of London Payroll Office, the Police Federation, and the Superintendents Association.

31. The Gold Group first met on 19 February 2025 and continued to meet at least once a week until after the McCloud RSS deadline of 31 March 2025.

32. RSSs for the remaining cohorts of eligible scheme members (those already in receipt of their pensions and those that had left the force but were not yet receiving their pensions) continued to be processed.

33. In total, 97.5% were issued by the 31 March 2025 deadline. The deadline was extended for some of these officers under Section 29(10)(b) of the Public Service and Judicial Offices Act 2022[1] and a breach report was submitted to The Pensions Regulator on 29 April 2025 in respect of the remaining 23 statements (1% of total) that were not issued by the deadline.

34. The initial deadlines with regards to implementing the McCloud Remedy have now been met, however this does not mean that the demand it has generated has ended.

35. McCloud will continue to provide a significant level of demand upon the Pensions Office and CoLP which is in addition to the already high demands of 'Business as Usual'. While the levels of demand may drop over the next 18 months, the effects of implementing the Remedy will continue to be felt for many years.

[1] Public Service Pensions and Judicial Offices Act 2022

Pension Services Delivery Board

36. In recognition of the significant additional workloads being experienced while delivering the Police Pension Scheme an officer Pension Services Delivery Board was established.

37. This Board started as an informal monthly meeting between the Pensions Office and CoLP HR to discuss any issues that were arising with regards to delivering the administration of the scheme.

38. In January 2025 the monthly meetings were formalised, and the Board was established. Following the disbanding of the Gold Group that had been created to help with the implementation of the McCloud Remedy, the Pensions Services Delivery Board membership was extended to include representatives from the Police Federation, the Superintendents Association and Payroll.

Conclusions

39. The Police Pension Board was created with reference to the Public Services Pensions Act 2013 and the Police Pension Scheme Regulations 2015. The Board has met three times in 2024/25 and Board Members are aware that they should ensure their knowledge of the Scheme is up-to-date in order that they remain compliant with their legal requirements.

40. The Board continues to review the working practices of the City of London Police Pensions Office and regularly monitors all letters and documents issued to members, prospective members, leavers and retirees. The Board maintains a Risk Register and an approved Breaches Policy.

Appendices:
Appendix A – Board Member Record of Attendance
Appendix B – Administration Statistics

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Appendix A

Police Pension Board - Board Member Record of Attendance

	17/07/2024	05/11/2024	10/02/2025
Ray Eaglesmith	X	X	X
John Todd	X	X	X
Alan Yau	X	X	X
Henry Colthurst	X	X	
Helen Isaac	X		X
Madush Gupta	X		X

Appendix B

City of London Police Pension Scheme - Administration Key Performance Indicators

Task	Target Working Days
Initial payment of retirement benefits	10 days
Process refund and make payment	5 days
Statement notifying estimate of retirement benefits	20 days
Statement detailing transfer-in credit	20 days
Transfers-out payments	20 days
Answering general correspondence:	10 days
Payment of lump sum death grants:	14 days
Letters to dependants in respect of benefits due:	5 days

Task	Target (Working Days)	Quarter 1 01/04/2024 – 30/06/2024	Quarter 2 01/04/2024 – 30/09/2024	Quarter 3 01/10/2024 – 31/12/2024	Quarter 4 01/01/2025 – 31/03/2025	Number of cases in Quarter 4	Total for the year 01/04/2024 – 31/05/2025
Initial payment of retirement benefits	10 days	100%	100%	100%	100%	13	100%
Process refunds and make payments	5 days	100%	100%	100%	100%	7	100%
Statement notifying estimate of retirement benefits	20 days	90.91%	100%	100%	100%	9	95.83%
Statement detailing transfer-in credit	20 days	91.67%	95.16%	100%	92.86%	14	96.95%
Transfers-out payments	20 days	100%	100%	100%	100%	3	100%
Answering general correspondence	10 days	100%	93.64%	99.48%	*	219*	97.07%*
Payment of lump sum death grants	14 days	n/a	n/a	n/a	n/a	n/a	n/a
Letters to dependant's in respect of benefits due	5 days	n/a	n/a	n/a	n/a	n/a	n/a

*The ‘Answering general correspondence’ statistic for Quarter 4 relates purely to the number of emails/letters that have been sent in the period 01/01/2025 to 31/03/2025 and does not measure against timeliness for responding to queries. Our statistics are obtained from Workflow Tasks that are created on the pensions administration system and are used to monitor the work carried out by the administration team. The sheer number of queries received in Quarter 4, caused by the implementation of the McCloud Remedy, has meant it has been impractical to record a ‘task’ for every letter and email sent/answered and therefore the figure of 219 cases have been derived by interrogating the Sent Items within Outlook and copies of letters where they have been sent by post.

<u>It should be noted that these statistics do not take account of the calculations performed in respect of McCloud – including the Remediable Service Statements produced (and the calculations required to provide these), contribution adjustments collected/refunded, McCloud calculation queries and McCloud data provided to and chased from other forces.</u>