

North Yorkshire Fire and Rescue Authority

Pension Board

Minutes of the meeting of the Pension Board held on Wednesday 29 July 2015 at 10.35 am at North Yorkshire Fire and Rescue Service Headquarters, Thurston Road, Northallerton.

Present:-

Employer Representatives:- Group Manager Jonathan Foster, Area Manager Jez Rushworth and Group Manager Stuart Simpson.

Member Representatives:- Carl Boasman (FOA), Peter Cokell (RFU) and Simon Wall (FBU).

Advisors in attendance:-

Ruth Gladstone (assisting the Secretary to North Yorkshire Fire and Rescue Authority), Barry Khan (Legal Adviser, Monitoring Officer and Secretary to North Yorkshire Fire and Rescue Authority), Jan Sams (Head of Human Resources) and Helen Scargill (Member Services Manager, West Yorkshire Pension Fund).

All documents and presentation slides considered are on NYFRS's website

1. Appointment of Chair

Considered -

The Board was advised that North Yorkshire Fire and Rescue Authority had decided that the Chair of the Pension Board would be an Employer Representative.

Resolved -

That Area Manager Jez Rushworth be elected as Chair to serve until the first meeting of the Board following the Annual Meeting of the Authority in 2016.

Area Manager Jez Rushworth in the Chair

2. Firefighters' Pension Schemes and Membership

Considered -

The presentation by Helen Scargill (Member Services Manager, West Yorkshire Pension Fund).

The presentation:-

- highlighted the legislation under which Local Pension Boards were created;

- explained the purpose of this Board (ie to assist NYFRA, in its role as a Scheme Manager of the Firefighters' Pension Schemes, to secure compliance with legislation relating to the governance and administration of those Schemes); and
- provided an overview of the five Pension Schemes with which Board Members and Substitutes needed to be familiar in order for the Board to fulfil its role.

During discussion, the following was noted:-

- The Pension Board could decide what it wished to look at in order to discharge its functions. However, the national Scheme Advisory Board for the Firefighters' Pension Scheme would require Local Pension Boards to look at various issues.
- The outcome of audits of the West Yorkshire Pension Fund would be reported at future meetings of this Pension Board.
- Reports about discussions concerning the way in which West Yorkshire Pension Fund was carrying out its contract with NYFRA would be submitted to future meetings of this Pension Board in order that the Board could take a view on whether the contract was being satisfied.
- West Yorkshire Pension Fund would welcome feedback from this Board on whether communications the Fund sent to pension fund members were appropriate and clear to understand, and whether the method of communication was correct. It was suggested that it would be helpful for Contribution Rates to be published on West Yorkshire Pension Fund's website.
- There were major differences between the five Firefighters' Pension Schemes. It was emphasised that, when Pension Board Members were following a case, they needed to be very clear which Regulations applied. A guide to the five Firefighters' Pension Schemes was available on the knowledge hub for Local Pension Board Members on the Local Government Association's website. Jan Sams (Head of Human Resources) offered to put links to the relevant sections of the guide on NYFRS's website.

Resolved -

- (a) That the presentation be noted.
- (b) That the Head of Human Resources be requested to put links from NYFRS's website to the relevant sections of the guide of the five Firefighters' Pension Schemes on the knowledge hub for Local Pension Board Members on the Local Government Association's website.

3. Pension Board Terms of Reference

Considered -

The report of Barry Khan (Legal Adviser, Monitoring Officer and Secretary to the Authority).

The Pension Board was invited to adopt its terms of reference and recommend approval of various amendments to those terms of reference to reflect recently published Guidance. The terms of reference were set out in the Appendix to the report. Recommended amendments were set out in the Appendix and shown in red font.

The Board's terms of reference were approved by North Yorkshire Fire and Rescue Authority on 11 February 2015, to comply with the statutory requirement for the Board to be established with effect from 1 April 2015. Subsequently, in May 2015, the Firefighters' Pension Scheme Guidance on the Creation and Operation of Local Pension Boards in England was published. That Guidance made suggestions about various issues relating to Local Pension Boards' terms of reference.

During discussion, a Member Representative expressed concern about the proposed amendment which, if approved, would permit the Chair to have a second or casting vote. The Member Representative explained that it would be unfair for the Chair to have a casting vote when there was an equal number of Member Representatives to Employer Representatives on the Pension Board. The Employer Representatives highlighted that some Local Pension Board Chairs had casting votes whilst others did not; that the Chair would rarely need to have to use a second or casting vote; however, they could understand the Member Representative's concerns. They therefore agreed that the Chair should not be permitted a second or casting vote.

Area Manager Jez Rushworth confirmed that the costs arising from Member Representatives' attendance at Pension Board meetings/trainings would not be met from the budget for Staff Undertaking Representative Bodies' Duties.

Resolved -

- (a) That the terms of reference be adopted.
- (b) That it be recommended - That the proposed amendments to the terms of reference, as set out in the Appendix and shown in red font, be approved, subject to the deletion of the proposed amendment "The Chair shall have a second or casting vote".

4. Code of Conduct for Members of NYFRA's Pension Board

Considered -

The report of Barry Khan (Legal Adviser, Monitoring Officer and Secretary to the Authority).

The report recommended the adoption of a Code of Conduct for Members of the NYFRA's Pension Board. The proposed Code mirrored the Code of Conduct for Members of NYFRA. Legislation required a Pension Board Member to act in the best interests of the Pension Board, to declare conflicts of interest and not take part when necessary, and not to scrutinise his/her own decisions. The proposed Code provided a process for Pension Board Members to follow to address a situation where Members were subject to a potential or actual conflict of interest.

During discussion:-

- It was queried whether, within paragraph 4 of the proposed Code, the words "anyone who works for or on behalf of the Authority" were appropriate. Paragraph 4 stated "You must not do anything which compromises the

impartiality of anyone who works for or on behalf of the Authority, or do anything that is likely to compromise their impartiality". Barry Khan agreed that "anyone who works for or on behalf of the Authority" should be replaced with "anyone who administers the Pension Fund".

- Barry Khan confirmed that it was proposed that all Pension Board Members should register their membership of trade unions/professional associations, as set out in Appendix 2 to the proposed Code, with the recognition that half the Members on the Pension Board were chosen specifically because of their membership of a trade union.
- Barry Khan confirmed that, if a Member Representative on the Pension Board was representing an individual on a pension case, and that particular case came before the Pension Board, that Member Representative would need to declare a conflict of interests and withdraw from that part of the Board meeting. Declarations of interest would be sought at the beginning of each Pension Board meeting and any declarations made would be recorded in the Minutes of that meeting.

Resolved -

That the Code of Conduct for Members of NYFRA's Pension Board, as set out at Appendix A to the report, be adopted, subject to paragraph 4 being amended by replacing the words "anyone who works for or on behalf of the Authority" with "anyone who administers the Pension Fund".

5. Declarations of any Personal or Prejudicial Interest

No conflicts of interest were declared that the meeting.

6. Adoption of Breaches Procedure

Considered -

The report of Barry Khan (Legal Adviser, Monitoring Officer and Secretary to the Authority).

The report invited the Pension Board to consider arrangements to meet the duty of each individual Pension Board Member to report breaches of law, potentially to the Pensions Regulator. There were various judgements which had to be made in deciding whether to report a breach, and various requirements with which any such reports had to comply.

Barry Khan suggested a possible process might be for Pension Board Members, if they had any concerns about possible breaches of law, to refer them to him for review and a report. He would subsequently either provide advice or obtain independent advice if necessary. Barry Khan also suggested that, if the Board was minded to approve such a process, it might wish to ask him to draft a policy and submit it to a future Pension Board meeting.

Resolved -

That the Legal Adviser, Monitoring Officer and Secretary to the Authority be requested to draft a policy, and submit it to a future Pension Board meeting, such policy to document a process whereby Pension Board Members, if they have any concerns about possible breaches of law, shall contact the Legal Adviser, Monitoring

Officer and Secretary to the Authority and that the Legal Adviser, Monitoring Officer and Secretary to the Authority shall subsequently review and report on the situation or obtain independent advice, if necessary.

7. Local Pension Board Training - Policy and Framework

Considered -

The report of Jan Sams (Head of Human Resources).

The report invited the Pension Board to:-

- approve a Training Policy and Framework for Pension Board Members, a proposal for which was set out at Appendix A to the report;
- appoint a Training Representative; and
- request Board Members and Substitutes to undertake a personal training needs analysis so that a Training Plan could be put together and funding identified from within the Training Budget.

Legislation stated that Members of Local Pension Boards should have the capacity to become conversant and develop a knowledge and understanding of the law relating to pensions and such other matters as were appropriate in order to effectively perform their duties.

During discussion:-

- Members expressed the opinion that they were all on a learning curve.
- It was noted that the Local Government Association had provided training on 22 July 2015 which had been attended by some Members of this Pension Board.
- Carl Boasman offered to be the Pension Board's Training Representative. Other Members expressed support for the appointment of Carl Boasman to that role.
- The Employer Representatives expressed the view that a named Substitute Employer Representative would be helpful in case any of the three Employer Representatives were unable to attend a meeting. They also commented that it would be helpful if a Substitute could be identified before any further training was provided.
- Members agreed that Members and Substitutes should each complete a personal training needs analysis. However, they preferred the version circulated by the Local Government Association, because it included "familiar" and "unsure" ratings, rather than the list of training needs set out at Appendix B to the report. With regard to timescales, Members agreed that the personal training needs analyses should be completed by 22 September and that Carl Boasman and Jan Sams should meet during the last week of September to identify knowledge gaps.

Resolved -

- (a) That the training policy and framework, as set out at Appendix A to the report, be approved.
- (b) That Carl Boasman (FOA) be appointed Training Representative to the Pension Board.
- (c) That the Chief Fire Officer/Chief Executive be requested to consider the appointment of a named Substitute Employer Representative on the Pension Board.
- (d) That Members and Substitutes be requested to complete the Local Government Association's version of the personal training needs analysis by 22 September 2015.
- (e) That the Training Representative and the Head of Human Resources meet during the last week of September to identify knowledge gaps.

8. Future Dates (Pension Board and Training/Events)

Considered –

A discussion about the frequency of future meetings and arrangements for individual Pension Board Members to raise items for the next Agenda.

Barry Khan (Legal Adviser, Monitoring Officer and Secretary to the Authority) expressed the view that the Pension Board would need to meet twice a year at this stage.

Resolved –

- (a) That the next meeting be held in late January 2016, the date/time/venue to be notified as soon as possible by Ruth Gladstone (assisting the Secretary to the Authority) following consultation by email concerning Members' and Advisors' availability.
- (b) That any issues which individual Pension Board Members wish to place on the Agenda for the next meeting be notified, by 30 November 2015, by email to Ruth Gladstone with "cc" copy to Area Manager Jez Rushworth to allow time for written reports to be prepared.

9. Other Business – Communication to Staff

Considered –

A discussion about advising NYFRS staff of the role and work of the Pension Board.

Resolved –

That the Chair be requested, following consultation with the Legal Adviser, Monitoring Officer and Secretary to the Authority, to circulate a form of words to advise NYFRA staff of the role and work of the Pension Board. (The Chair agreed to circulate this, if possible, before 15 September 2015.)

The meeting concluded at 12.10 pm.

RAG/JR