

NORTH YORKSHIRE POLICE FIRE & CRIME COMMISSIONER FIRE & RESCUE AUTHORITY

Pension Board

Minutes of the meeting of the Pension Board held on Tuesday 1st October 2019 at 14:00 at North Yorkshire Fire and Rescue Service Headquarters, Thurston Road, Northallerton

PRESENT:

Employer Representatives: Jonathan FOSTER (JF) (Chair)
Stuart SIMPSON (SS)
Marc WARREN (MW)
Carl BOASMAN (CB)

Member Representatives: Alan BELL (AB) (FOA)
Alistair BIGGS (ABi) (FBU)

Advisors in attendance: David HOOD (DH) (NYFRS Pensions Administrator/Manager)
Lisa MAYNARD (LM) ((Interim) Secretariat to NYPFCCFRA)
Helen SCARGILL (HS) WYPF (undertaking training following the meeting)

The agenda, reports and minutes for this meeting are on the Pension Board area of the website

PLEASE NOTE: All actions are recorded in section 12 of the minutes

Minute Number	ITEM OF BUSINESS	To be actioned by:-
1.	WELCOME AND INTRODUCTIONS	
	JF welcomed everyone to the meeting.	
2.	APOLOGIES FOR ABSENCE / REPRESENTATION AT MEETINGS	
	Andrew BLADES – FOA Representative Steve HOWLEY – FBU Representative Edmund BILLING – FBU Representative	
3.	DECLARATIONS OF ANY PERSONAL OR PREJUDICIAL INTERESTS	
	No conflicts of interest were declared.	
4.	PREVIOUS MINUTES AND MATTERS ARISING	
	Minutes The Minutes of the Board's meeting held on 2 nd July 2019 were accepted as a correct record. DH addressed the actions arising from that meeting.	

	<p>Matters Arising</p> <p><u>4.1</u></p> <ul style="list-style-type: none"> • <i>Quality of data:</i> This is based on the pension scheme’s presence and accuracy of certain member and scheme data eg National Insurance numbers, names, and addresses. The Pensions Regulator requires data to be assessed annually. WYPF however assess data scores quarterly. DH referred to the data improvement plan attached as part of the Board papers and informed the Board that data quality is generally getting better. MW queried why June’s score appeared worse. HS confirmed that, whilst the June 2019 scores appeared worse, the February 2019 scores were over-inflated due to flaws in the process at that time. The scoring methodology has now been corrected. • <i>Dialling in to Meetings:</i> Fiona Kinnear (FK) obtained advice that confirmed Board members could dial in and be present for quoracy purposes if the Board voted to accept this. The Board agreed dialling into future meetings will be accepted in exceptional circumstances. It was agreed that dialling in should be limited to once a year so it should not be regarded as a default position. The viability would also depend on the quality of the I.T being used. • <i>Documents for approval:</i> As agreed in the July meeting DH circulated the revised terms of reference and risk register. Board approval is required for these documents. • <i>Terms of Reference:</i> The terms of reference has been updated further to reflect advice from FK on circulating minutes. Consideration was also given to the national template produced by the LGA. JF suggested it should be updated further to include the Board’s agreement to allow members dial into the meeting in exceptional circumstances. • <i>Risk Register:</i> DH will discuss the risk register later in the meeting. <p><u>Section 2</u></p> <ul style="list-style-type: none"> • FK has responded to confirm that the OPFCC did not need to be present at Board meetings. • EB will replace Simon Wall. • The Pensions Administrator/Manager confirmed that ‘split pensions’ (the ‘two- pension rule’) will not apply to on-call firefighters. • The link to the slide deck from the ill health and injury workshop (19 June 2019) was emailed to the Board as part of this meeting’s papers. <p><u>Section 10</u></p> <ul style="list-style-type: none"> • The training register will be uploaded to the pension board area of the website once the terms of reference has formally been agreed. 	
5.	<p>PENSIONS UPDATE</p> <p>Report of the Pensions Administrator/Manager</p>	
	<p>DH presented his report.</p> <ul style="list-style-type: none"> • DH confirmed there is little movement on the variations for both wholetime and on call membership. • DH reported that the high number of members opting-out of the pension scheme appear to be the running total of everyone who 	

has ever opted-out. Information from payroll confirms employees who have opted-out but are still in service. The Pensions Administrator/Manager asked the Board to agree that future reports concentrate on the opt-out rate of the current workforce. The Pensions Administrator/Manager stated that opt-outs are a concern nationally, but adapting his proposed approach reduces the numbers involved and reflects the more accurate position on opt-outs.

- DH advised extensive work undertaken in identifying members eligible to retire from each of the schemes between 2019/20 to 2024/25. This also included their estimated benefits and was needed for government to determine NYFRS 'grant' towards pension costs. The document will also assist with workforce planning.
- Automatic re-enrolment is a requirement placed on every employer every 3 years. It is hoped that this will see many of the existing opted-out members remain in the pensions scheme. Following a meeting between Payroll / Finance/ DH / Central Administration, North Yorkshire Fire and Rescue Service will regard 15 November as the re enrolment date. Letters will be issued beforehand to advise people they will be placed back into the pension scheme.
- He had attended the Pensionable Pay Workshop – 18th July. The Pensions Administrator/Manager gave an overview of the day, in particular the four recent cases that were heard by the Court of Appeal, via the Pensions Ombudsman, earlier this year. An assurance was also given that NYFRS already adopt the findings of these cases and a link to the slide desk was included in the email to the Board as part of this meeting's papers.
- He had attended the Firefighter's Pensions AGM 24/25th September 2019. The Pensions Administrator/Manager attended the event and gave an overview of both days. Day 1 consisted of an evening session for scheme managers / pension board members from a range of organisation structures (and degrees of engagement) sharing their experiences. Day 2 highlights included confirmation from the Home Office that each pension scheme's case management hearing date has now been determined: 18th December 2019 being the date of the firefighters' pensions scheme. Aon also gave a summary of their benchmarking report: members and administrators think the scheme is complex with a large number of administrators not reporting on their performance. This was the first attempt at benchmarking and the differences in cost and service levels vary greatly. Aon arrived at 7 recommendations including a specific fire pensions administration qualification, and a nationally produced administration agreement.
- He has sent new Board member EB the link for the Regulator's online training.
- A complaint case has recently been received from the Pensions Ombudsman. The individual claimed he had not been included in the exercise back in 2014/15, allowing individuals to buy retrospective benefits in the 'modified' section of the 2006 scheme. All such applications had to be made by 30 September 2015. The timing of this exercise coincided with the claimant transferring his benefits out to the Civil Service Pension Scheme.

	<ul style="list-style-type: none"> DH confirmed he will respond to the office of the Pensions Ombudsman before their deadline of 26th September to reiterate that reasonable endeavours were taken to make contact. <p>Board noted the contents of the report.</p>	
6.	WEST YORKSHIRE PENSION FUND UPDATE Report of the Pension Provider (Helen Scargill)	
	<ul style="list-style-type: none"> HS advised fully protected scheme members will be issued with a newsletter to inform them of this. WYPF are currently recruiting and it is likely they have another potential client in the pipeline. HS gave an update on WYPF monthly report. The data scores for the quarter to September were also discussed. HS agreed to investigate the days allowed to process deaths in retirement; she was unsure how the current timescale was arrived at. JF advised death cases should not be exceeding the current days allowed in any event. MW suggested an SLA of 5 days. HS will investigate if there is a 5-day turn-around on death cases with a surviving spouse. 	
7.	RISK REGISTER	
	<ul style="list-style-type: none"> Risk Register: DH confirmed the risk register has been thoroughly reviewed and updated, in conjunction with Board member SS to bring it more into line with the design of the Corporate Board risk register. DH confirmed the opt-out wording has now been included. The scoring rationale mirrors that of West Yorkshire and South Yorkshire FRS. The Pensions Administrator/Manager confirmed that it had been reviewed recently and that nothing of concern was currently apparent. The Board were also advised that the process will be to determine risks between meetings with the Chair and Board member CB. Where a risk score falls between 6-14 (amber) this will be reviewed by the Pensions function head. Scores falling between 15-25 (red) will be brought to the Board for discussion. 	
8.	BREACH REGISTER	
	<ul style="list-style-type: none"> DH reported a breach. The 2019 benefit statements in respect of the 19 RDS modified members were not issued within the statutory timescale of 31 August 2019. DH advised once all the statements have been sent out this breach will be reported to the Pensions Regulator as a material breach as it is the second consecutive year relating to late statements. 	
9.	FUTURE ARRANGEMENTS	
	<ul style="list-style-type: none"> JF reported it was not necessary for a member of the OPFCC to attend the Pension Board meeting as information would be escalated to the OPFCC should there be a need. An annual Pension Board report will be drafted later in the year and presented to OPFCC. Secretariat to NYPFCCFRA will not be provided going forward so therefore will need to be provided in-house. 	
10.	BOARD MEMBER TRAINING: PENSION TAXATION	

	<ul style="list-style-type: none"> Delivered after this meeting 	
11.	ANY OTHER BUSINESS	
	<ul style="list-style-type: none"> No new items were raised. 	DH
12.	AGREED ACTIONS	
	<ul style="list-style-type: none"> DH to send EB the link for the Pension's Regulators online learning. Terms of reference are to be amended to include the rules on dialling into meetings. The wording relating to Annual Allowance is to be included in advertisements. This was discussed in the training session that followed the meeting. The effects of Annual Allowance breaches can be felt by members in middle roles (and not necessarily just those in senior positions anymore). It was agreed that reference to Annual Allowance should be inserted into job advertisements. 	DH
	PROPOSED FUTURE MEETINGS	
	<ul style="list-style-type: none"> Wednesday 10th December, NYFRS Training Centre, Easingwold, starting at 10:30 	All to note

The meeting concluded at 15.30