



West Yorkshire  
Fire & Rescue Service

# LOCAL PENSION BOARD

## Annual Report 2020 - 2021

### OFFICIAL

Ownership: Legal and Governance

Date Issued: 12 July 2021

Version: V2

Status: Final



# Revision and Signoff Sheet

## Change Record

Date	Author	Version	Comments
		V1 – initial draft	To submit to Local Pension Board for final comment and recommendation for approval to HR Committee on 9 July 2021
		V2 – final version	To submit to HR Committee for formal ratification 9 July 2021

## Reviewers

Name	Version Approved	Position	Organisation	Date
Nicola Houseman		Committee Manager	WYFRA	23/04/21

## Distribution

Name	Position	Organisation
Local Pension Board		West Yorkshire Fire and Rescue Authority
Human Resources Committee		9 July 2021

## Document Properties

Item	Details
Document Title	LOCAL PENSION BOARD
Author	Administrator
Creation Date	10 July 2020
Last Updated	23 April 2021

## Contents

### Contents

1	Foreword.....	3
2	Membership and meetings of the Board .....	3
3	Work undertaken by the West Yorkshire Fire and Rescue Authority Local Pension Board 2019 – 20 .....	4
4	Specific investigations and Board resolutions .....	5
5	Conflicts of interest.....	5
6	Identified Risks and areas of concern.....	5
7	Expenses and Costs.....	6
8	Gifts and Hospitality.....	6
9	Training .....	6
10	Legislative updates .....	6
11	Scrutiny and review .....	7

## 1 Foreword

The purpose of this Annual report is to provide a source of information about the status of West Yorkshire Fire and Rescue Authority Local Pension Board for Scheme members and for the Scheme Manager together with a summary of issues considered in the relevant period (1 April 2020 – 31 March 2021)

In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, the West Yorkshire Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes.

[The Local Government Pension Scheme for Green Book employees is monitored by a separate Local Pension Board established by the West Yorkshire Local Government Pension Scheme and does not form part of this Annual Report].

The Report includes commentary on the following;

- A summary of the work undertaken by the Local Pension Board during 2020 – 21
- Detail of areas investigated and how these areas were dealt with
- Any conflicts of interest and how these were managed
- Any identified risks and other areas of potential concern
- Any expenses and costs incurred by the Board
- Gifts and hospitality received by members of the Board
- Training for Board members
- Breaches
- Scrutiny and review

Information has also been categorised in parts of this Annual Report on the basis of the following Classifications

Classification	Action
	Outstanding
	Partially complete
	Complete

## 2 Membership and meetings of the Board

2.1 The West Yorkshire Fire and Rescue Authority Local Pension Board comprises 6 members as follows (as approved by the Full Authority on 26 June 2020);

3 x Scheme Member representatives (Paul Drinkwater, Chris Lawton (Chair) and Jim Davies FBU)

3 x Scheme Manager representatives (Councillors Peter Harrand and Angela Wenham and John Roberts CEx/CFO)

(plus Non-voting Officer Adviser(s) as appropriate)

- 2.2 The Board has met on 3 occasions in the 2020 – 21 year. There was an attendance of 82.4% during the period in question.
- 2.3 One of the Scheme Manager representatives, Councillor Angela Wenham, had resigned her position as Leeds City Councillor and consequently from membership of the Fire Authority. The Local Pension Board carried a Scheme Manager vacancy with effect from 22 March 2021.

### **3 Work undertaken by the West Yorkshire Fire and Rescue Authority Local Pension Board 2020 – 21**

- 3.1 The work undertaken by the Board during the course of the year has been defined by the extant Terms of Reference (initially approved at the 24 June 2016 meeting of the West Yorkshire Fire and Rescue Authority).
- 3.2 Appointment to the Pensionable Pay working group at the behest of the Local Government Association and appointment to the Scheme Advisory Board's Benchmarking and Effectiveness Committee
- Chris Lawton (Scheme member representative - Chair)
- 3.3 During the period 1 April 2020 – 30 June 2021 the following items were considered by the Board;
- Updates on the work with the national Scheme Advisory Board (SAB) & its sub-committee (Ensuring the effectiveness of the Local Pension Board)
  - Pension Fund – Key Performance Indicators and corporate risks
  - Discretions made by the Scheme Manager
  - Annual benefit statements (including Annual Benefit Survey 2020)
  - Annual review of Terms of Reference
  - Pension Risk Register (with update for COVID19 risks)
  - Compliance deadlines and Breaches Register
  - Response to SAB survey 2019 on effectiveness of Local Pension Boards (including West Yorkshire position statement)
  - Equalisation of Guaranteed Minimum Pension (GMP)
  - Pension Ombudsman sample cases
  - Legislative updates
  - Firefighter Pensions England bulletins
  - Response to The Pensions Regulator survey 2020 and completion of The Pensions Regulator self-assessment questionnaire
  - Response to LGA Administration Strategy consultation
  - Impact of COVID19 on pension services and mitigations (including Protected Pension Age)
  - Update on Government position regarding Qualifying injury adjustments (to reflect COVID19 deaths)
  - McCleod / Sargeant decision and proposed remedy – including application of immediate detriment guidance
  - Application of the O'Brien ruling on the Retained Duty System (Modified) scheme

3.4 The Activity report (submitted to each meeting) includes detail on the number of;

- pension scheme members across the various schemes
- number of new scheme members
- retirees
- pensioner members
- deferred members
- IDRPs stage 1 and 2 complaints
- Opt-outs
- Pension estimates requested / processed
- Compliance and complaints

3.5 Each agenda also includes the following standing items;

- legislative update (see section 10.)
- scrutiny and review (including discretions, breach and risk registers)
- Pensions ombudsman cases (see section 9.)

## **4 Specific investigations and Board resolutions**

4.1 A summary of the areas considered during 2020 – 21 which warranted further investigation and action and the relevant outcomes are detailed in the table below.

Meeting	Summary	Outcome / resolution	Status
28 January 2021	Gap analysis of The Pensions Regulator (TPR) self-assessment results	To be submitted to the next subsequent meeting of the Board ( <i>considered at 23 April 2021 meeting</i> )	
	Benchmarking of scheme members with other FRS' and Local Government Pension Scheme	To be included in future Activity reports (with additional information on gender and dual contracts)	

## **5 Conflicts of interest**

5.1 As statutorily required, members of the Local Pension Board complete a Declaration of Interests. The register is maintained by the West Yorkshire Fire and Rescue Authority Committee Services section. Members of the Board reviewed their Declarations in July 2020.

5.2 There have been no declarations made by any member, adviser or attendee at any meeting of the Board during the relevant period.

## 6 Identified Risks and areas of concern

6.1

Meeting	Summary of risk	Outcome / resolution	Status
24 July 2020	Impact of auto-enrolment on scheme members / membership	Advice given to Members	
28 January 2021	McLeod and Sargeant remedy – impact on resources	Full-time Pensions Assistant post to be advertised. Additional payroll support required. (Looking at options as to whether someone is employed on a fixed-term contract or outsource the work to a partner agenda ie. Kirklees MC) – <i>WYFRA appointment made April 2021</i>	

## 7 Expenses and Costs

- 7.1 There has been no expenditure or costs incurred within the relevant period for the administration of the Board.
- 7.2 The Chair of the Board and Pensions Manager attended a free Public Sector Pensions webinar on 25 January 2021.

## 8 Gifts and Hospitality

- 8.1 There have been no declarations of gifts or hospitality received by Members of the Local Pension Board during the relevant period.

## 9 Training

- 9.1 It is a statutory requirement of the Public Service Pensions Act 2013 that members of the Local Pension Board should have the capacity to become conversant with, and develop a knowledge of, detailed related issues in order to effectively carry out their duties.
- 9.2 The following training has been provided during the course of the year to Local Pension Board members;
- Pensions Regulator e-learning package
  - Monthly bulletins from LGA Pension Advisory Service
  - LGA National training programme – update / refresher training

- 9.3 One standing item on the Local Pension Board agendas is consideration of relevant Pension Ombudsman cases. The summaries provided and Ombudsman decisions serve as a learning tool for LPB members.
- 9.4 Members completed a self-assessment issued by TPR – an analysis was subsequently reported back with proposed remedies / actions (see paragraph 4.1).

## **10 Legislative updates**

- 10.1 As a statutory requirement, members of the Local Pension Board have been provided with regular legislative updates.
- 10.2 The following have been provided during the relevant period;
- Age discrimination legal challenge and remedy
  - RDS (Modified) – application of O'Brien ruling
  - Statutory instrument updates
  - Protected Pension Age – COVID19 relaxation
  - Compensation scheme (qualifying injury and COVID19)
  - Exit payments
  - Equalisation of Guaranteed Minimum pension (GMP)

## **11 Scrutiny and review**

- 11.1 Members are required to scrutinise areas relevant to the administration of the Firefighters' Pension Schemes.
- 11.2 The following areas were scrutinised during the relevant period;
- Pension Risk and breaches policy
  - Discretions
  - Breaches register
  - Pension Risk register
  - Compliance deadlines