



# Minutes

## Local Pension Board

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Date: 05 October 2018

Time: 12 noon

Venue: Fire and Rescue Headquarters, Birkenshaw

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Present: Paul Drinkwater (Scheme Member representative – in the chair), Councillor T Austin (Scheme Manager representative), Councillor P Harrand (Scheme Manager representative) and Stuart Wilson (Scheme Member representative)

In Attendance: Ian Brandwood – Chief Employment Services Officer, Claire Johnson – Technical Adviser and Dan Stacey (Technical Adviser)

Apologies: None

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## 16 Minutes of the last meeting

### RESOLVED

That the Minutes of the last meeting held on 7 July 2018 be signed as a correct record.

## 17 Urgent items

The Chair had agreed to include the following items on the agenda as a matter of urgency due to the timeframes involved and to ensure that Members were as up to date as possible with relevant issues before the next scheduled meeting;

- Bulletin 12 (Min no. 23 refers)
- Scheme Advisory Board Effectiveness committee Minutes – 25 September 2018 (Min no. 24 refers)
- FPS Annual Benefit Statement survey 2018 (Min no. 28 refers)

## 18 Admission of the public

There were no items which required the exclusion of the public and press.

## **19 Declarations of interest**

There were no declarations of disclosable interest in any matter under consideration at the meeting.

## **20 Local Pension Board Activity report**

The Chief Employment Services Officer submitted a report which set out performance in key areas for the period 1 June to 31 August 2018.

It was noted that there had been

- no new entrants into the Scheme during the relevant period
- no opt ins into the Scheme
- one opt out – due to member being near retirement and no further benefits could be accrued (became a deferred member)

### **RESOLVED**

That the report be noted.

## **21 Pension Ombudsman – update**

Members received a report of the Chief Employment Services Officer which presented one relevant sample case reviewed by the Pension Ombudsman since the date of the last meeting as follows;

- Mr N – Northumbria Police Authority

It was recognised that, whilst this was not a Firefighters' Pension Scheme issue, the ruling from the Ombudsman in this case had been interesting. The Ombudsman upheld the appellant's claim as the relevant information should have been made available to him even though its receipt had been after the appellant had initiated the transfer.

It was reported that, since that time, legislation had been changed with regard to transferring out of public authority pension schemes.

### **RESOLVED**

That the report be noted.

## **22 Legislative update**

Consideration was given to a report of the Chief Employment Services Officer which provided an update with regard to a number of relevant issues as follows;

Transitional protections – No further progress had been made since the date of the last meeting

Ill health injury compensation pension – tax issues – 11 pensioners had been identified as being affected by a re-classification of non-taxable benefits and had been contacted with advice that they were entitled to reclaim tax from HMRC. The onus would be on the Authority to cover an shortfall but no calculations had been made to date.

Firefighters' Pension Scheme Privacy Notice – a revised notice had now been issued to replace the interim provision that had been made in respect of General Data Protection Regulations (GDPR) (Min no. 10 refers)

Her Majesty's Treasury (HMT) – Firefighters Pension Scheme (FPS) valuation 2016 – notification had been received that HMT directions for valuation had been circulated for comment which would be used by the Government Actuary's Department (GAD) to produce valuation results for the FPS' in England. The notification also included information about the cost cap mechanism (2%) which would be likely to be triggered and the Scheme Advisory Board were considering actions to bring the cost back within target.

FPS 2006 special member tax relief claims – correspondence had been received from Her Majesty's Revenue and Customer (HMRC) seeking confirmation that this Authority had been compliant in respect of the Matthews v Kent and Medway Fire Authority ruling in 2006.

## **RESOLVED**

That the report be noted.

## **23 Firefighter Pensions England – bulletins**

The Chief Employment Services Officer submitted a report which introduced Bulletins 1 – 12. The Bulletins sought to keep Local Pension Board Members up to date on any relevant issues relating to the Firefighters' Pension Schemes.

Members were reminded that these had been circulated by email in the past and would continue to be passed on in that way followed by their inclusion on subsequent Local Pension Board agendas to allow for clarification and debate as appropriate.

The following issues were highlighted;

- Annual exercise undertaken on pensions forecasts to enable top-up grant to be calculated
- Brewster case – nomination for surviving partner
- Voluntary Scheme Pays – completed in November 2017
- Recording of injuries – West Yorkshire Fire and Rescue maintained records indefinitely
- Auto-enrolment
- Back dated elections to modified 2006 scheme – no longer permitted by current regulations
- Abatement – worksheets produced by - West Yorkshire Pension Fund
- Changes to contribution rates – WY payroll system had been updated
- Promotional leaflets – distributed to all new starters and incorporated into pensions presentation to new WY recruits
- FPS 2015 ill-health charge – payments made from the revenue budget
- Eligibility to join the Firefighters' Pension Scheme
- 2018 amendment order
- Benchmarking exercise – to assess local costs of administering the FPS (effectively a value for money exercise)

## **RESOLVED**

- a) That the content of Bulletins 1 – 12 noted;
- b) That the Local Pension Board confirms it had been assured that the Scheme Manager had complied with Scheme rules and that the rules on eligibility had been applied correctly

## **24 Scheme Advisory Board – update**

### **RESOLVED**

- a) That the Minutes of the Scheme Advisory Board meeting held on 20 June 2018 be noted;

- b) That the Minutes of the Scheme Advisory Board Local Pension Board Effectiveness Committee at meetings held on 17 July and 25 September 2018 be noted; and
- c) That the position statement relating to the West Yorkshire Local Pension Board, advising of the current progress relating to the issues highlighted in, and recommendations from, the Survey of Fire and Rescue Authority Local Pension Boards published in February 2018 (Min no. 12b) refers), be noted.

## **25 Scrutiny and Review**

The Chief Employment Services Officer submitted information relating to the following areas for scrutiny and review;

- Annual benefit statements – Members were advised that the statements for all the schemes had been submitted by the 31 August 2018 deadline. 15 cases remained outstanding in respect of the RDS Modified scheme due to technology issues at West Yorkshire Pension Fund.
- Guaranteed Minimum Pension (GMP) reconciliation – a red RAG rating had been reported as West Yorkshire Pension Fund had not provided the Pensions Officer with information on contracted-out reconciliation prior to the deadline for submission
- Discretions – there had been none to report since the date of the last meeting
- Change in policy – members were advised that Management Board had agreed that turnout and disturbance fees for all Day Crewed Staff would become pensionable with effect from 30 July 2018 thereby addressing the discrepancies between the relevant pension schemes
- Incorrect pension deductions – a shortfall in employee contributions had been identified which affected 11 members of the pension scheme(s) to whom a repayment option had been circulated. The event constituted a pensions breach.
- Breaches register – members were advised that a breaches register had been established to comply with the requirement of The Pensions Regulator.
- LPB CPD (Continuous Professional Development) training – to remind members of the obligation to maintain their own knowledge and learning

### **RESOLVED**

- a) That the report be noted;
- b) That the establishment of a Breaches Register be noted;
- c) That the late submission of 15 RDS Modified statements be recorded but not be reported to The Pensions Regulator as a breach as, due to the numbers involved, it was considered not to be of material significance; and
- d) That a decision about the recording or reporting of incorrect pension deductions be deferred pending the outcome of negotiations with the Fire Brigades Union about the recoupment of monies from Scheme Members.

## **26 West Yorkshire Pension Fund – key performance indicators**

Consideration was given to a report of the Chief Employment Services Officer which advised Members of West Yorkshire Pension Fund performance in key areas for the period 1 April to 31 August 2018.

In response to concerns expressed previously about the increase in workload at the Pension Fund, Members were informed specifically about an undertaking by the WYPF to strengthen its Fire Team for which recruitment was currently underway.

Members were advised that, whilst the Pension set-up payment target had not been reached, there had been no late payments.

### **RESOLVED**

That the report be noted.

## **27 Pension risk register**

As approved at the July meeting of the Board (Min no. 15 refers) consideration was given to the pension risk register and Members were invited to include any additional risk they considered appropriate.

It was reported that, as requested at the last meeting, the Annual Benefits Statements and failure to comply with the GMP reconciliation had been included in the Pension Risk Register.

### **RESOLVED**

That the report be noted.

## **28 FPS Annual Benefit Statement survey 2018**

Members considered the Annual Benefit Statement Survey and agreed responses for submission by 31 October 2018.

### **RESOLVED**

That the agreed responses to the FPS Annual Benefit Statement survey 2018 be submitted.

Chair