



Minutes

Local Pension Board

Date: 22 July 2021

Time: 11.00 am

Venue: Fire and Rescue Headquarters, Birkenshaw

Present: R Binks (Scheme Member representative), Councillor Peter Harrand (Scheme Manager representative), Chris Lawton (Scheme Member representative), John Roberts (Scheme Manager representative) and Councillor Fozia Shaheen (Scheme Manager representative)

In Attendance: Claire Johnson - Technical Adviser
Claire Hey – LGA adviser

Apologies: J Davies (Scheme Member representative – FBU),

1 Appointment of Chair and Vice chair

RESOLVED

- a) That John Roberts, Scheme Manager representative, be appointed Chair of the Local Pension Board for the 2021 – 22 year; and
- b) That Chris Lawton, Scheme Member representative, be appointed Vice chair of the Local Pension Board for the 2021 – 22 year.

2 Membership of the Local Pension Board 2021 – 22 as follows;

Scheme Member representatives

- Ryan Binks
- Chris Lawton
- James Davies (FBU)

Scheme Manager representatives

- Councillor Peter Harrand
- Councillor Fozia Shaheen
- John Roberts

RESOLVED

That the report be noted.

3 Urgent items

None.

4 Admission of the public

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

5 Declarations of interest

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

6 Minutes of meetings held on 23 April 2021

RESOLVED

That the Minutes of the meeting held on 23 April 2021 be signed by the Chair as a correct record.

7 Terms of Reference – annual review

Consideration was given to a report of the Monitoring Officer to review the Terms of Reference for the Local Pension Board which had been adopted by the West Yorkshire Fire and Rescue Authority.

Members debated the issue of business continuity and how this challenge might be overcome with the term between appointments to the Board extended to two years for all Members unless they resigned or were withdrawn from membership for any other reason during the course of that two-year term.

RESOLVED

That the Human Resources Committee be asked to consider a proposal to amend the Terms of Reference for the Local Pension Board for recommendation as appropriate to the Full Authority as follows;

Term of office

Each term of office for any member should be two years but may be terminated prior to the end of the term due to:

- a Scheme Member representative no longer being a member of any Firefighters' pension scheme (active, deferred or retired) or being a member of the body on which their appointment relied, or
- a Scheme Manager representative no longer holding the office or employment on which their appointment relied or no longer being a Member of the Fire Authority or no longer being appointed to the Board by the Fire Authority, or
- the representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training

Board Members may be re-appointed for more than one term of office following an approved appointment / nomination process.

8 Local Pension Board Annual Report 2020 – 21

Members considered a report of the Monitoring Officer which advised that the Local Pension Board Annual Report 2020 – 21 had been formally submitted to the 9 July 2021 meeting of the Fire Authority's Human Resources Committee which had confirmed that the Board had acted within its Terms of Reference and in accordance with good governance principles during the 2020 – 21 municipal year.

RESOLVED

That the report be noted.

9 Local Pension Board Activity report

Members considered a report submitted by the Chief Employment Services Officer concerning performance in key areas for the period 1 January 2021 to 30 June 2021.

It was reported that there was an inaccuracy in the figures at paragraph 2.7 relating to the number of opt-outs – there had been 6 between 1 January and 30 June 2021 (5 x males of which 1 was in the 41 – 50 age bracket and 4 in the 51 – 60 bracket, and 1 female in the 18 – 30 bracket).

Members raised the following specific issues;

- the accuracy of the data at paragraph 2.2 relating to the number of pensioner members across the various schemes between December 2020 and June 2021
- detail of the specific pension schemes for those who had joined a scheme during the same period

RESOLVED

That the report be noted.

10 Scrutiny and review

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

- Discretions made by the Scheme Manager – none reported for the year to date
- Breaches register – none identified during the relevant period
- Pension Risk register - attached at Annex C to the report
- Compliance deadlines – detail of the different compliance deadlines
- Annual Benefit statement survey – responses to the survey were detailed in the report now submitted, and
- Pensions administration audit – opinion given of substantial assurance

In response to a concern raised about resilience within the West Yorkshire Fire and Rescue Service pensions team, it was reported that one of the Brigade's HR Business Partners was currently being trained to be able to support the team as appropriate. There was also a national resource through the practitioners' group and from the Local Government Association Pensions Adviser.

It was further confirmed that the risks of the financial implications of, and of actions which had to be taken in respect of, the pensions remedy had been incorporated into the corporate risk register rather than that of the Pension Board.

Further to a member request about the status of the Annual Benefit Statements it was confirmed that the data had been sent to the administrator (West Yorkshire Pension Fund) as checked and verified and it was anticipated that they would be circulated by the deadline of 31 July 2021.

RESOLVED

- a) That the report be noted;
- b) That the increased risk of a breach in relation to the pensions remedy be confirmed as a specific risk on the corporate risk register, and
- c) That the final report of the Internal Auditor into the Brigade's pensions administration (in receipt of a substantial assurance opinion) be reported to the next meeting.

11 Pension Ombudsman – update

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

- Mr S (The new Firefighters' Pension Scheme (Wales) 2007 - modified section for retained firefighters) – late submission of paperwork. The appeal was upheld and the relevant Authority was instructed to enrol the individual into the Retained Duty System scheme as the order had not be complied with in a consistent manner.

RESOLVED

That the report be noted.

12 Legislative update

The Chief Employment Services Officer submitted a report which provided an update with regard to the following;

- Pension remedy – work ongoing in conjunction with Kirklees MC (payroll administrator). Central government grant received to cover costs associated with the work to remedy payments
- Revised immediate detriment guidance – original decision made in December 2020 not to use the guidance was reversed in April 2020 following the failure of an appeal by Fire Authorities in respect of government’s reliance on the Equalities Act for non-claimants. Revised guidance was published by the Home Office in June 2021. The revised guidance contradicted some of the practices followed by WYFRS, these cases centre around pension holidays and contribution refunds. Cases to be revised once final legislation was published.
- Retained Duty System pension scheme (modified) – entitlement of retained firefighters to join a pension scheme from the start of employment. It was reported by way of an update was given to members that the Home Office had applied for a “stay” in the application of a settlement exercise and it was not anticipated that this would commence for a further 12 – 18 months. There remained some concerns around consultation with the relevant representative bodies, about the implications of GDPR regulations and also relating to the availability of data (confirmed by the Local Government Pensions Adviser present at the meeting that this would likely relate to those in employment in the year 2000)
- Exit payments in the public sector – withdrawal of the Restriction of Public Sector Exit Payments Regulations 2020. Consultation on future proposals in progress.

RESOLVED

That the report be noted.

13 Scheme Advisory Board Minutes

RESOLVED

That the Minutes of the Scheme Advisory Board at meetings held on 16 February, 18 March and 24 June 2021 be noted.

14 West Yorkshire Pension Fund – key performance indicators

Consideration was given to a report of the Chief Employment Services Officer which advised of West Yorkshire Pension Fund (WYPF) performance in key areas for the period 1 January – 30 June 2021.

Members were advised that, in addition to concerns as to the accuracy of some of the data (to be verified), there had been seven areas of concern during the reporting period as follows where targets had not been met;

- Age 55 increase to pension
- NI adjustment to pension at State Pension Age
- Spouse potential
- Deferred benefits set up on leaving
- Actual transfer-ins
- Department for Work and Pensions request for information, and
- Initial letter Death on Deferred

RESOLVED

That the performance of West Yorkshire Pension Fund in key areas be noted.

15 Firefighters' Pension Scheme remedy self-assessment survey response

The Chief Employment Services Officer submitted a report which advised the Board of the Scheme Manager's response to the remedy self-assessment survey commissioned by the Local Government Association to inform them of the systems in place in respect of the Sargeant and O'Brien remedies.

RESOLVED

That the report be noted.

16 Firefighter Pensions England bulletins update

Consideration was given to the content of bulletins 41 - 46, which had been circulated to Members upon issue by the Scheme Advisory Board (SAB).

The following issues were highlighted with current status information;

- Six key processes factsheet
- Draft data collection guidance – complete
- Submission of audited and un-audited pensions income/expenditure data in respect of the top-up grant claim to the Home Office – complete
- Familiarisation with data collection tools and consideration of additional resources required – complete
- Assurance that projections for protected members did not include final salary benefits after 31 March 2022 – complete
- Return of completed IDRPs data template – complete, and
- Submission of SAB remedy self-assessment survey – complete (Min No. 15 refers)

RESOLVED

That the content of Bulletins 41 – 46 be noted.

17 Member training

A training session was provided by the Local Government Association firefighter pension scheme advisers which covered the following issues;

- Administration and management (publication by the LGA of an administration strategy due at the end of July 2021)
- Pensions remedy guidance including a dedicated pension scheme member website launched on 1 May 2021
- Role of the Local Pension Board, and
- Horizon scanning

Members sought further detailed clarification on the following issues;

- Peer group working / capacity
- LGA plans and associated risks for the Firefighter Pensions team following the resignation of Clair Alcock, Senior Pensions Adviser
- Use and detail of the West Yorkshire pensions dashboard
- Availability of modelling / forecasting tools for individual pension scheme members – not likely to be available until 2023
- Extension to the agreement for the pensions administrator (LGPS) to provide accurate quotations beyond the currently agreed 2022 expiry date
- Date of publication of GAD data and the legal challenge by the Fire Brigades' Union (judicial review currently paused)

Chair