

North Yorkshire Fire and Rescue Authority

Pension Board

Minutes of the meeting of the Pension Board held on Monday 23 April 2018 at 10.30 am at North Yorkshire Fire and Rescue Service Headquarters, Thurston Road, Northallerton

Present:-

Employer Representatives:- Jez Rushworth (in the Chair), Jonathan Foster and Stuart Simpson

Member Representatives:- Andrew Blades (as Substitute for Alan Bell) (FOA), Steve Howley (FBU) and Simon Wall (FBU)

Advisors in attendance:-

Anna Binks (NYFRS Pensions Administrator/Manager) and Ruth Gladstone (Secretariat to NYFRA)

Apology for absence:-

An apology for absence was received from Barry Khan (Legal Adviser, Monitoring Officer and Secretary to NYFRA)

The agenda, reports and minutes for this meeting are on NYFRS's website

In opening the meeting, the Chair noted that this meeting was being held in place of the meeting on 22 March 2017 which had been inquorate and therefore had not proceeded.

Minute Number	Item of Business	To be actioned by:-
31.	<p>Minutes and Matters Arising</p> <p>The Minutes of the Board's meeting held on 18 September 2017 were noted.</p> <p>Anna Binks reported on progress made in implementing suggestions for action which the Board had put forward at its meeting held on 18 September 2017. She reported, in particular, the following information.</p> <p>(a) The links included from NYFRS's website to various Pensions information were listed in a paper which was circulated at this meeting by Anna Binks. Anna Binks also highlighted that The Pensions Regulator wished the agendas, reports and minutes relating to Pensions Board meetings to be available via a Pensions Board website page and that this was being worked on. At Steve Howley's suggestion, Anna Binks confirmed that links to the Internal Dispute Resolution Procedure update information, and to the IQMP process, would also be included. Anna Binks also advised that, in future, links could easily be incorporated from NYFRS's intranet to Pensions information eg to training information and bulletins.</p>	Anna Binks

- (b) Anna Binks advised that, since the last meeting, she had issued no bulletins for Pension Board Members and Substitutes, for the purpose of highlighting areas for general awareness and training, because no such information had been forthcoming. Anna Binks advised, however, that the General Data Protection Regulation (GDPR) and Privacy Notices needed to be included soon and, once these had been drafted, she intended to consult Board Members between Pension Board meetings to seek their views. Anna Binks
- (c) The e-learning link had recently been re-sent to all Board Members and Substitutes by Anna Binks. Board Members agreed that all Members and Substitutes should complete the e-learning by 31 August 2018 and that it would be helpful if Anna Binks could diarise reminders. Members and Substitutes
- (d) The contract held by West Yorkshire Pension Fund (WYPF) for Pensions administration showed savings had been made when compared to previous years. Anna Binks highlighted that annual costs were dependent on membership numbers and the level of activity during the year. However, comparisons showed a saving of £9,500 had been made in year 1 of the contract and a saving in the region of £6,200 had been made during year 2. Anna Binks also reported that she attended periodic meetings of a User Group which aimed to ensure that WYPS provided transparent information regarding savings. Board Members indicated that it was unnecessary for Anna Binks to provide an update about savings made by WYPF at each meeting of the Board.

32. Declarations of Personal or Prejudicial Interests

No conflicts of interest were declared.

33. Pensions Update

Considered –

The report of Anna Binks (Pensions Administrator/Manager) which provided information concerning the following issues.

(a) Scheme Membership Information

The report set out numbers (including past comparison numbers) of the following:- active members in, and opt-outs from, each of the firefighters' pension schemes; pension members in each scheme; retirements or related procedures which were being progressed; and deferred members of each scheme. The report also provided a link to the Internal Dispute Resolution Procedure for dealing with Pension complaints and advised that, since the Board's previous meeting, no new complaints had been received or completed.

Anna Binks commented that the Internal Dispute Resolution Process (IDRP), which formed part of the General Data Protection Regulation, would be made clear to individuals. She advised that, once the IDRP was available, she would email a link to it to Board Members. Anna Binks

(b) Pension Board Training Update

The report identified three items which were suitable for inclusion on the Training and Needs Analysis for Pension Board Members and Substitutes, namely:- a session on Main Pensions Tax Issues; a session on The Pensions Regulator's 21st Century Trusteeship and Governance Programme and the Regulator's new tools for Pension Board Members; and an update on all web based resources available from The Pensions Regulator, the Scheme Advisory Board, and the Local Government Association.

Anna
Binks/
Members/
Substitutes

Anna Binks referred to the arrangements for the forthcoming Firefighters' Pensions AGM. The Chair suggested that places should be booked for two Board Members, ie one Employer Representative and one Employee Representative. Anna Binks undertook to circulate details of the AGM to all Board Members and seek expressions of interest in attending.

Anna
Binks

Anna Binks advised of the arrangements for a forthcoming LGA meeting to be held in London to discuss the outcome of a recent survey about Fire Authority Pension Boards and Police Pension Boards. Anna Binks undertook to circulate details of the event to all Board Members and seek expressions of interest in attending. Anna Binks also advised that she would provide feedback on her attendance at the meeting either by email or at the next Board meeting.

Anna
Binks

Anna
Binks

A new method for recording Board Members' and Substitutes' training was suggested in the report and an example was circulated at the meeting. Members were asked to consider:- whether the layout of the example was suitable; whether the example contained correct information; and whether the information in the example was suitable for publishing. During discussion, the Chair referred to The Pensions Regulator's toolkit, which addressed the expectation of frequency of reviewing the training, and highlighted that Pension Board Members were not expected to have in-depth knowledge. Anna Binks advised that bold font was used within the example to identify essential training. Jonathan Foster highlighted that FireWatch recorded all training. He suggested that the example was fine in terms of a 'snap-shot' and a 'ready reckoner' and suggested that the longevity of training should be recorded within FireWatch. Members indicated that they had no objections to the publication, on NYFRS's website, to the information shown in the example which was circulated at this meeting. Members referred to the four courses deemed to be essential training and highlighted that some of the courses were identical to other courses which were listed separately except with different dates. Members suggested that, for essential training, a tick should be inserted, instead of a course date, in the Training Date column; and that the date on which such training was undertaken should be recorded in place of the tick in the separate column. As such, the number lines in the table for essential training courses would reduce from four to two. Anna Binks undertook to amend the example and re-circulate it to Board Members for any further comments.

Anna
Binks

(c) Risk Register

The report identified three issues on which progress had been made, or action taken, regarding the Pension Board's Risk Register subsequent to the Board's adoption of the Register on 18 September 2017. These related to:- a report issued by Internal Audit which provided an overall opinion of "Substantial Assurance" together with four action points; the collation of information by Anna Binks in order for a full data review to be carried out; and the identification of GDPR responsibilities of NYFRS and its Pension Administrator (WYFS) and the subsequent actions required. Within the report, it was suggested that Anna Binks should provide an update by email to Pension Board Members regarding the completion of the exercise of identifying and taking actions arising from the identification of GDPR responsibilities of NYFRS and WYFS and that this area should be added to the Risk Register as a separate item.

Anna
Binks

During discussion, Members questioned Anna Binks about the actions required including those arising from Internal Audit's report and whether agreed timescales had/would be achieved. Anna Binks provided an assurance that the actions had been achieved regarding the completion of essential forms eg for when a firefighter left NYFRS's employment. She stated, however, there were other areas which would benefit from further work and that a timescale for putting together a full set of procedural notes, with which she would be happy, was 30 June 2018, ie one month following the year-end.

Anna Binks provided confirmation, in response to Steve Howley's question, that she was aware, via the LGA, of the outcome of the recent ET case regarding payments which must be regarded as pensionable pay for Retained Firefighters. She added that, to date, within NYFRS, she had not identified any of the types of payments which had been included in this particular judgement, although she intended to check the situation with colleagues within NYFRS. Anna Binks undertook to report back to the Board regarding the advice which Fire and Rescue Services received concerning how to deal with this issue and whether NYFRS had any cases which were affected by the judgement.

Anna
Binks

(d) Other Work Items

The report identified that implementation of GDPR would require communication with Scheme members at suitable points during their scheme membership and that the suggested communication material would be circulated in advance to Board Members for comment to ensure clarity of the communications.

Anna
Binks

The report made reference to the work of the national Communications Working Group, together with this Board's wish to look at communications with a view to making improvements at local level. Anna Binks asked the Board to consider where it fitted-in in deciding if a communication was fit for purpose and/or required improvements. She circulated a

paper which listed the documents which were already on WYPF's website, other documents which were likely to be available soon from the national Communications Working Group, and further documents which the national Communications Working Group intended to discuss for future development. During discussion, Members suggested that the Board should prepare a FAQs document for people transitioning between Schemes because currently a number of people were coming to the end of transitional protection. However, it was recognised that individuals would nevertheless require a one-to-one discussion to explore options.

Anna
Binks

Anna Binks circulated copies of the documents listed at the bullet points below and it was agreed that Members would forward their comments to Anna Binks concerning whether these documents were fit for purpose and/or identify any part of a document which was not clear. Anna Binks agreed to set an initial reminder for 31 May 2018 for Members to provide comments.

Members

Anna
Binks

- Understanding the pension reforms: for unprotected members of the 1992 scheme
- Understanding the pension reforms: for taper protected members of the 1992 scheme
- Understanding the pension reforms: for unprotected members of the 2006 scheme
- Understanding the pension reforms: for taper protected members of the 2006 scheme

Anna Binks advised that, on each occasion when the national Communications Working Group adopted a document, she intended to email it to Pension Board Members and seek comments on whether should be made available via a link on NYFRS's website/intranet.

Anna
Binks

(e) West Yorkshire Pension Fund Key Performance Indicators

The report set out information concerning WYPF's latest performance against Key Performance Indicators. Anna Binks advised that she had no concerns to bring to the Board's attention about WYFP's latest performance.

The report advised that WYPF were providing updates on progress in carrying out the Guaranteed Minimum Pension Reconciliation exercise. That exercise related to the ending, in April 2016, of 'contracting-out' whereby members of firefighters' pension schemes paid a lower level of National Insurance contributions or did not pay into the upper tier of the State Pension Scheme. Anna Binks reported that WYPF had agreed to do that GMP Reconciliation work as part of the Shared Service contract. However, certain decisions needed to be passed on to NYFRS eg if overpayments were identified. Anna Binks advised that further progress reports concerning this area of work would be submitted to future meetings of the Pension Board.

Anna
Binks

(f) The Pensions Regulator’s Latest Governance Initiatives

The report advised of the latest governance initiatives from The Pension Regulator. Anna Binks circulated a paper which set out further detail regarding each. The latest initiatives related to the 21st Century Trusteeship and Governance Programme, and new tools for Pension Board Members.

Anna Binks also circulated copies of two guidance documents from The Pensions Regulator for trustees. These were entitled “Sample board evaluation questions” and “Sample board skills matrix”. Anna Binks undertook to circulate electronic copies of the two guidance documents so that Members could access the links. Members agreed that, after they had read the two guidance documents, decisions should be taken regarding how each document might be used and where they should be retained. It was also agreed that a Workshop for Pension Board Members should be held, immediately prior to the Board’s next meeting, to discuss the guidance documents.

Anna
Binks

Members

Anna
Binks

(g) Web-based Resources

The report made reference to resources which were available to Pension Board Members from The Pensions Regulator, the Scheme Advisory Board, and the LGA.

(h) Automatic Enrolment Transitional Delay Exercise October 2017

The report provided confirmation that NYFRS had carried out the automatic enrolment of staff from 1 October 2017 and that all affected staff had been given the required information in accordance with The Pensions Regulator’s guidance. Records were being maintained to provide evidence of NYFRS’s actions. The next automatic enrolment was scheduled to take place in June 2019 when the process would be repeated.

(i) Employment Tribunal Cases Relating to Discrimination - Appeal Outcome

The report set out the outcome, and a summary by the LGA’s advisors, concerning the Employment Appeal Tribunal’s consideration of the pensions discrimination cases for judges and firefighters following original conflicting judgements.

The report also referred to the case relating to the firefighters scheme (Sargeant v London Fire and Emergency Planning Authority) which had been referred back to the Employment Tribunal for further consideration. It was noted that neither Anna Binks nor the FBU Member Representatives on the Pension Board were aware of timescales in this case.

(j) Survivor Pensions for Civil Partners (Walker v Innospec)

The report advised of the judgement in this case and that Government lawyers were considering the possible impacts which the ruling would have on survivor pensions offered by all public sector schemes.

(k) HMRC Requirements for Pensions Taxation

Anna Binks provided the Board with an awareness session regarding pensions tax rules. She also provided examples of how Scheme members could incur a tax charge and the action required by the employer and affected individuals on an annual basis and at the time of retirement. Whilst providing such information, Anna Binks circulated three documents entitled “Pensions Tax Awareness – Slides and handout based on information provided by Barnett Waddingham and WYPF”, “Guidance Note – Protected Pension Age – Implications for Re-employment of FPS Pensions from 6 April 2010”, and “1992 Firefighters Pension Scheme – Effect of Promotions – Annual Allowance Assessment Illustrative Only – Based on 1 July 2016 Pay Scales”. Board Members thanked Anna Binks for providing the comprehensive paperwork and asked her to provide a further overview of HMRC requirements for pensions taxation at the beginning of the Board’s next meeting.

Anna
Binks

Resolved –

- (a) That the report be noted.
- (b) That the Risk Register be updated by the addition of GDPR.
- (c) That, with regard to the recording of Pension Board Members’ and Substitutes’ training, Anna Binks amend the example document and re-circulate it to Board Members and Substitutes for any further comments to supplement those set out on the third page of these Minutes.

Anna
Binks

Anna
Binks

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

Resolved –

That a meeting of the Pension Board be scheduled for September 2018.

NYFRA
Secretariat

35. Other Business – Electronic Documentation for Pension Members

In response to a question, Anna Binks confirmed that WYPF were moving to electronic Benefits Statements for Deferred Members and intended to retain email addresses and make Deferred Members aware of the situation. She also commented that, if any Deferred Member so wished, she would be happy to print off their Benefits Statement and post a hard copy to them.

36. Other Business – Pension Board Membership

The Chair advised that Marc Warren was being nominated for appointment as the Employer’s Representatives’ Substitute, to replace Dave Dryburgh.

The Chair reminded Board Members that his term of appointment as Chair of the Pensions Board was scheduled to conclude before the Board’s next meeting.

The meeting concluded at 12:30pm.

RAG/JR