



## **North Yorkshire Fire and Rescue Authority**

### **Pension Board**

**Meeting to be held on Monday 30 January 2017 at 10.30 am at North Yorkshire Fire and Rescue Service Headquarters (Meeting Room 2), Thurston Road, Northallerton DL6 2ND**

#### **Business**

1. Appointment of Chair to the Pension Board to serve until the meeting of North Yorkshire Fire and Rescue Authority to be held in June 2017, subject to ratification by the Authority on 17 February 2017
2. Minutes of the meeting held on 30 June 2016  
**(Pages 3 to 6)**
3. Declarations of any Personal or Prejudicial Interests
4. Pensions Update – Report of the Head of Human Resources  
**(Pages 7 to 12)**
5. Chairman's Report  
**(Pages 13 to 17)**
6. Future Dates
7. Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances.

Barry Khan  
Secretary to North Yorkshire Fire and Rescue Authority  
County Hall, Northallerton

18 January 2017

Enquiries relating to this agenda please contact Ruth Gladstone **Tel: 01609 532555, or 01347 825550 immediately prior to the start of the meeting or e-mail [Ruth.Gladstone@northyorks.gov.uk](mailto:Ruth.Gladstone@northyorks.gov.uk)** Website of the North Yorkshire Fire and Rescue Service: [www.northyorksfire.gov.uk](http://www.northyorksfire.gov.uk)

## **PENSION BOARD MEMBERSHIP**

**For the period ending 31 January 2017:-**

1. Membership:

	<b>Name</b>	<b>Representing</b>
1.	Boasman, Carl	Member representative – Fire Officers' Association
2.	Foster, Jonathan	Employer representative
3.	Howley, Steve	Member representative – Fire Brigades Union
4.	Rushworth, Jez	Employer representative
5.	Simpson, Stuart	Employer representative
6.	Wall, Simon	Member representative – Fire Brigades Union

2. Substitute Membership:

	<b>Name</b>	<b>Representing</b>
	Biggs, Alistair	Fire Brigades Union
	Cairns, Ben	Fire Officers' Association
	Dryburgh, Dave	Employer

**For the period from 1 February 2017 until 4 May 2017 (ie the date of the local government elections in 2017)**

Alan Bell to replace Carl Boasman as the Member representative – Fire Officers' Association

Andrew Blades to replace Ben Cairns as the Substitute Member representative – Fire Officers' Association

Note: The change of membership from 1 February 2017 was approved by North Yorkshire Fire and Rescue Authority on 14 December 2016 at the request of the Fire Officers' Association

# North Yorkshire Fire and Rescue Authority

## Pension Board

Minutes of the meeting of the Pension Board held on Thursday 30 June 2016 at 2.30 pm at North Yorkshire Fire and Rescue Service Headquarters, Thurston Road, Northallerton.

### Present:-

Employer Representatives:- Temporary Deputy Chief Fire Officer Jez Rushworth (in the Chair), Group Manager Jonathan Foster and Group Manager Stuart Simpson.

Member Representatives:- Carl Boasman (FOA), Steve Howley (FBU) and Simon Wall (FBU).

### Advisors in attendance:-

Ruth Gladstone (assisting the Secretary to North Yorkshire Fire and Rescue Authority (NYFRA)), Barry Khan (Legal Adviser, Monitoring Officer and Secretary to NYFRA) and Jan Sams (Head of Human Resources).

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**All documents considered are on NYFRS's website**

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### 16. Minutes

With reference to the Board's Resolutions recorded at Minute 13 Pensions Update:-

- Jan Sams (Head of Human Resources) circulated copies of the starter pack for new employees, in accordance with a request of the Board.
- It was reported that the Authority had no employees whom it had re-employed who might have a tax liability arising from the outcome of the Pension Ombudsman's decision in the case of Milne v GAD.

### Resolved –

That the Minutes of the Board's meeting held on 27 January 2016 be noted.

### 17. Declarations of Personal or Prejudicial Interests

No conflicts of interest were declared.

### 18. Local Pension Board Training

Considered –

The report of Jan Sams (Head of Human Resources) which provided an update concerning training for Board Members and possible further ongoing training to assist Board Members to acquire, develop and maintain the skills and knowledge which they required to carry out their role.

It was reported that all Board Members and Substitutes, with the exception of one Substitute, had undertaken the Pensions Regulator's e-learning programme and had emailed their development records and updated training needs analyses to the Head of Human Resources.

It was reported that the Local Government Association's (LGA's) Firefighters' Pension Adviser was providing further training on an individual Board basis so that training could be tailored to specific requirements. As an example, the agenda for recent such training was outlined at paragraph 2.2 of the report. Area Manager Jez Rushworth suggested that that agenda was a good starting point.

Members were reminded that useful information was available on the knowledge hub Firefighters Pension Board Members Forum: <https://khub.net/group/firefighters-pension-scheme-local-pension-board-members-group-forum/forum>

#### **Resolved –**

- (a) That the content of the report be noted.
- (b) That the Head of Human Resources organise for the LGA's Firefighters' Pension Adviser to provide training for this Board, to be held during September 2016, based on the agenda outlined at paragraph 2.2 of the report.

### **19. Pensions Update**

Considered -

The report of Jan Sams (Head of Human Resources) which provided information concerning the following:-

- Schemes membership information, namely:-
  - The numbers of Wholetime and Retained Firefighters in each of the various firefighters' pensions schemes and the number of those who had opted out, all as at June 2016, together with a comparison with the numbers as at December 2015.
  - The numbers of active members in each of the various firefighters' pension schemes and the numbers protected and tapered in the 1992 and 2006 schemes, all as at 1 April 2016, together with a comparison with the numbers as at 1 April 2015.
  - The numbers of pension members of each scheme as at 1 June 2016, together with a comparison with the numbers as at 1 January 2016.
  - The numbers of deferred members of each scheme as at 1 June 2016, together with a comparison with the numbers as at 1 January 2016.
- The current situation concerning two complaints about pensions made under the Internal Dispute Resolution Procedure and received since the Board's previous meeting.
- Updates concerning the following issues:-
  - Scheme Advisory Board - Members of this Board had now been appointed by the Secretary of State. The Scheme Advisory Board and the LGA were organising a two day event for 10 and 11 October 2016 at Local Government House in London.
  - The Pension Ombudsman's decision in the Milne v GAD case relating to the Firefighters' Pension Scheme 1992 - Recent confirmation had

been received from the Ombudsman that he would now consider complaints concerning non-payment.

- Industrial action pension buyback – NYFRS needed to compile information manually from strike and other records in respect of the 87 whole-time employees who had not bought back pension.
- Auto Enrolment – NYFRS had arranged for letters to be sent to 27 employees who had opted out between September 2013 and August 2015 to advise them, in advance, that their pay closest to the re-enrolment date of 1 September 2016 would be assessed and that, should they be over the earnings limit, they would be re-enrolled into the pension scheme, with the option to opt out again should they so wish.

With regard to the Schemes membership information, Area Manager Jez Rushworth suggested that the variances should on a report-by-report basis to avoid inconsistencies.

The Head of Human Resources suggested that the Board might wish to invite Malcolm Eastwood (Chair of the Scheme Advisory Board) to attend this Board's next meeting.

Members nominated Area Manager Jez Rushworth to attend the Scheme Advisory Board/LGA two day event on 10 and 11 October 2016 on behalf of the Board. It was noted that Jan Sams (Head of Human Resources) and Lynne Elliott (Personnel Advisor) would be attending as representatives of NYFRS.

**Resolved –**

- (a) That the content of the report be noted.
- (b) That, at future Board meetings, Schemes membership information include variances on a report-by-report basis.
- (c) That the Chair of the Scheme Advisory Board be invited to attend this Board's next meeting.
- (d) That Area Manager Jez Rushworth, on behalf of this Board, attend the Scheme Advisory Board/LGA two day event on 10 and 11 October 2016 at Local Government House in London.

**20. Proposed Amendments to Code of Conduct for Members of NYFRA Pension Board**

Considered -

The report of the Legal Adviser, Monitoring Officer and Secretary to NYFRA which recommended certain amendments to the Board's Code of Conduct for Members in order further to tailor the Code to the Board's requirements, and asked the Board to consider whether its Register of Interests should be published on NYFRS's website.

Barry Khan (Legal Adviser, Monitoring Officer and Secretary to NYFRA), in introducing the report, advised that, in his view, Board Members' interests, including home addresses, should not be published on NYFRS's website because no additional Board transparency would result from doing so. He highlighted that all Members of this Board were employees of NYFRA. He commented that his advice would be different if the Board's membership included Councillors because their interests were already in the public domain. Barry Khan suggested that each Board

Member's interests should be circulated to all other Members of the Board but should not be published on NYFRS's website. Members expressed support for that suggestion.

Steve Howley (FBU) advised that he had not received the pro-forma on which he could record his interests as a Member of this Board. Barry Khan undertook to arrange for a copy to be sent to Steve Howley.

**Resolved -**

- (a) That the amendments to the Code of Conduct for Pension Board Members, as set out in Appendix 1 to the report, be approved.
- (b) That the NYFRA Pension Board Register of Members' Interests be not published on NYFRS's website.
- (c) That NYFRA Pension Board Register of Members' Interests be circulated to all Members of this Board.
- (d) That the Monitoring Officer arrange for a copy of the pro-forma on which Board Members record their interests to be forwarded Steve Howley (FBU).

**21. Future Dates**

It was suggested that the Board should meet again in approximately six months' time.

A Member commented that he had not received notice of today's meeting. Ruth Gladstone (assisting the Secretary to NYFRA) undertook to review the notification arrangements to ensure that such notices were received by all Board Members.

With regard to business for future meetings, Steve Howley (FBU) asked whether risks and risk controls were assessed in respect of the Pension Scheme and the administration of the Scheme. Jan Sams (Head of Human Resources) undertook to speak to Clair Alcock (Firefighters' Pension Scheme Adviser) concerning advice from the Scheme Advisory Board about how such assurances might be provided to Local Pension Boards. The Chair suggested that the outcome of that discussion should be reported to the Board's next meeting.

**Resolved –**

- (a) That the next meeting of the Board be held in December 2016/January 2017 on a date which is convenient to Board Members and Advisors and to Malcolm Eastwood (Chair of the Scheme Advisory Board) and that the arrangements be notified by Ruth Gladstone (assisting the Secretary to NYFRA).
- (b) That Ruth Gladstone (assisting the Secretary to NYFRA) review the arrangements for giving Members notice of Board meetings.
- (c) That the Head of Human Resources speak to Clair Alcock (Firefighters' Pension Scheme Adviser) concerning the Scheme Advisory Board's advice about how Local Pension Boards might receive assurances about the risks and risk controls of the Firefighters' Pension Scheme and the administration of the Scheme, and that the outcome of that discussion be reported to the Board's next meeting.

There being no other business, the Chairman declared the meeting closed at 11.05am.

RAG/JR

## LOCAL PENSION BOARD

Report of the Head of Human Resources30<sup>th</sup> January 2017

## PENSIONS UPDATE

**1.0 Purpose of Report**

- 1.1 To provide Members with information on scheme membership and progress on implementation of scheme changes.

**2.0 Introduction**

- 2.1 This report provides Members with scheme membership information, together with updates on current issues and training.

**3.0 Schemes Membership Information**

- 3.1 The following active memberships of the firefighters' pension schemes are taken from pay data as at 23<sup>rd</sup> December 2016 compared to 10<sup>th</sup> June 2016 for wholetime firefighters and 15<sup>th</sup> January 2017 compared to 15<sup>th</sup> June 2016.

## 3.1.1

Firefighters' Pension Schemes Membership	Wholetime	
	23/12/2016	10/06/2016
1992	97	105
2006	4	4
2015	185	179
Retained Modified	8	8
Opted out	12	6

The variations for wholetime members are as follows:

- **1992 scheme**      4 transitioned to 2015 scheme  
4 retirements
- **2015 scheme**      4 transitioned in from 1992 scheme  
1 opt in  
7 starters (RDS staff employed on temporary WT contracts)  
3 opt outs  
3 leavers
- **Opt Outs**            6

## 3.1.2

Firefighters' Pension Schemes Membership	Retained	
	15/01/2017	15/06/2016
1992	0	0
2006	18	26
2015	250	245
Retained Modified	32	35
Opted out	17	18

## LOCAL PENSION BOARD

The variations for retained members are as follows:

- **2006 scheme** 2 transitioned to 2015 scheme  
1 retirement  
5 leavers
- **RDS modified** 1 transitioned to 2015 scheme  
2 leavers
- **2015 scheme** 2 transitioned in from 2006 scheme  
1 transitioned in from RDS modified scheme  
3 additional (not reported on 15/06/2016 due to nil pay volunteer status)  
22 starters (new employees)  
1 starter (WT/RDS)  
1 opt in  
1 auto-enrolment  
2 opt outs  
24 leavers
- **Opt Outs** Changes are due to opt out notifications received after re-auto enrolment exercise, new starters who have chosen to opt out of a scheme and leavers who had opted out of a scheme whilst in service.

3.2 The following table shows the pension members of each scheme as at pay date 1<sup>st</sup> January 2017, compared to those at 1<sup>st</sup> June 2016. 1992 and 2006 pension membership has been split for pay date 1<sup>st</sup> January 2017 to illustrate pension members and dependent pension members; this will continue to be split for future reports.

3.2.1

Firefighters' Pension Schemes Membership	01/01/2017	01/06/2016
1992 (Pensioners)	424	501
1992 (Dependents – widow/partner/child)	78	Not split
2006	11	10
2006 (Dependents – widow/partner/child)	1	Not split
2015	0	0
2015 (Dependents – widow/partner/child)	2	0
RDS Modified	35	30

The variations for pension members are as follows:

- **1992 scheme:** 4 retirements implemented  
1 deferred pension into payment  
5 deaths  
2 widow's pensions implemented  
1 pension credit member's pension implemented  
1 pension ceased (status unknown)\*  
1 child pension ceased  
  
\* **pension** may re-commence (contact lost but no death notification received)
- **2006 scheme:** 2 adjustments for pensioners who have pension costed to both NFPS and RDS Modified scheme according to regulations.



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- **2015 scheme:** 2 new dependant members (death in service)
- **RDS modified:** 3 retirements implemented ( 2 x delayed due to no paperwork received from members)  
1 deferred pension into payment  
1 adjustment for pensioner who has pension costed to both NFPS and RDS Modified scheme according to regulations.

3.2.2 Retirements or related procedures that are being progressed presently are split as follows:

- 5 Service retirements
- 1 Ill health retirement
- 1 medical appeal against IQMP decision on Ill Health Retirement (appeal held, outcome currently awaited)

3.3 The following table shows the deferred members of each scheme as at 1<sup>st</sup> January 2017 compared to those at 1<sup>st</sup> June 2016.

3.3.1

Deferred Pension Members	01/01/17	01/01/16
1992	28	29
2006	123	112
Retained Modified	32	33
2015	37	22

The variations in deferred pension members cover pensions that have come into payment, leavers and those who have opted out of the scheme.

3.4 There is an Internal Dispute Resolution Procedure for dealing with any complaints, this can be accessed at:  
[http://www.wyfp.org.uk/Member/Fire/Active/1992/IDRP/pdf/IDRP\\_Firefighters.pdf](http://www.wyfp.org.uk/Member/Fire/Active/1992/IDRP/pdf/IDRP_Firefighters.pdf)

Since the last meeting of the Pension Board in June 2016, 1 complaint has been received as follows:

- Stage 1 – not upheld: the complaint relates to not bringing into payment a pension credit member's pension before age 60. The complainant is seeking the pension to be brought in to payment on serious medical grounds; however the scheme regulations do not permit this payment. To date, an appeal to Stage 2 has not been received, but a complaint has also been lodged with the Pensions Ombudsman. This case will be explained further at the meeting, as a confidential issue. Members may then consider that a referral of the issue to the Scheme Advisory Board is required.

#### **4.0 Pension Board Training Update**

4.1 On the 4<sup>th</sup> October 2016 further training took place for Local Pension Board members, six members of this board, two members from the Scheme Advisory Board and a new member from another Local Pension Board attended the event provided by the Local Government Associations Pensions Advisor. The training covered the following issues:

- Roles & Responsibilities of a Pension Board Member and the training required
- Introduction to the Firefighter Pension Schemes
- The Pension Regulator Governance & Administration Survey Results

## LOCAL PENSION BOARD

- 4.2 Board members are requested to review and revise their original personal training needs analysis and return this as soon as possible to the Head of Personnel and Pensions in order that further training can be facilitated.
- 4.3 The Chairman attended the Annual Fire Pensions Conference on the 11<sup>th</sup> October 2016; at this conference the Scheme Advisory Board provided an overview of their workplan covering:
- Support and advise Local Pension Boards
  - Taking a lead on communications
  - Ensure cost effectiveness of scheme administration
  - Advise on best practice
  - Benchmark administration

with Sub-Groups set up to consider the following:

- Cost effectiveness
- Improve scheme administration
- Ensuring effectiveness of local pension boards

### 5.0 **Auto Enrolment**

- 5.1 Members will recall that under the rules of auto enrolment the Service has to repeat the auto enrolment process on all opted out employees, reassessing their earnings to ascertain if they should be re-auto enrolled. The exercise has been completed and the return, based on data on the re-enrolment day 1<sup>st</sup> September 2016, made to the Pension Regulator prior to the deadline of 30<sup>th</sup> January 2017. The following is an extract from the response; please note this also covers the Local Government Pension Scheme:

<b>Information to be provided</b>	<b>Response</b>
The total number of staff employed on your re-enrolment date	795
The number of staff you had to put back into a pension scheme	26
The number of staff who were already members of a pension scheme on your re-enrolment date	699
Are you using the defined benefit transitional period?	Yes 30/09/2017
The number of staff who do not fall into the above categories	70

### 6.0 **Pensions Contribution Holiday**

- 6.1 The Government has agreed to introduce an employee contributions holiday for members of the 1992 Firefighters' Pension Scheme who accrue the maximum 30 years' pensionable service prior to age 50. The amendment regulations giving effect to this change came into force on 30 September 2016. This will apply from the point of accruing maximum service in the Scheme until the member's 50<sup>th</sup> birthday. This change will be applied retrospectively to 1<sup>st</sup> December 2006. Any affected scheme members who continue in employment beyond their 50<sup>th</sup> birthday will need to either resume paying contributions until retirement, or choose to opt out of the pension scheme, at which point their pension will be deferred.
- 6.2 In late October 2016 the Service received Home Office guidance and a return for the implementation of the employee contributions holiday, they required the return completing

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by the 18<sup>th</sup> November. Work to identify individuals affected had taken place on the expectation of a tight timetable; however the level of information covering contributions and taxable income required checking individual payslips and converting these to monthly pay (in some cases covering up to 3 financial years). This level of work was unexpected but the deadline was achieved. There are 23 refunds to be made for current and former employees with 2 contribution holidays being implemented in January and March 2017.

- 6.3 GAD have undertaken a review of data supplied and, in late December 2016, the Home Office have made additional grant payments to individual Fire & Rescues Authorities (FRA) and have confirmed they are content for FRAs to proceed with making the necessary refund payments to affected 1992 Scheme members. This work is planned to commence in early February 2017.
- 6.4 The LGA Pensions Adviser has provided a template letter that is being used to contact qualifying firefighters to notify them of the broad timescales and processes involved in paying the refunds. The letter also includes a mandate to enable the scheme to pay the unauthorised tax charge on behalf of the employee and asks them to declare any additional income that may have been received outside their employment as a firefighter which they have used to claim additional tax relief on their firefighter pension contributions during the period to be refunded; work on this element of the implementation is ongoing. It is expected that all refunds will be made by the end of this financial year.

### **7.0 West Yorkshire Pension Fund**

- 7.1 The contract with WYPF has now been replaced with a Service Level Agreement (SLA), based on exactly the same specification as the contract but at a significantly reduced cost. As part of this SLA monthly client reports are being provided, these include the development of key performance indicators which will be reported to future meetings of the Pension Board.

### **8.0 Annual Pension Benefit Statements**

- 8.1 One of the requirements of the Firefighters' Pension Scheme Regulations 2014 (183(2)) is that benefit statements must be issued by 31<sup>st</sup> August. WYPF are also using this date for all the other firefighters' pension schemes benefit statements. WYPF, along with other pension administrators, encountered delays in the provision of new software to calculate the 2015 scheme benefit statements. This is a complex issue as the new software must take account of the other schemes and transition dates where relevant.
- 8.2 As the benefit statements were not issued by the deadline it was considered a breach of the Pensions Regulators Code of Practice and regarded as of 'material significance', therefore on behalf of all the scheme managers for who they provide pensions administration WYPF notified the Pensions Regulator of this breach, the reasons why, and the revised deadline of December 2016. WYPF have notified the Service that the annual pension benefit statements have been produced and issued.

### **9.0 Government Actuaries Department (GAD) return**

- 9.1 A commissioning letter was received from GAD by NYFRS on 1st December relating to the provision of summary membership data together with cash flow data as at 31st March 2017. The timetable, contained within the commissioning letter reflects faster financial closing deadlines which become statutory in 2017. The summary data and cash flows are required by 10th March 2017 (mid April for previous years' returns). The data collection spreadsheets and user guide are expected to be received during January.

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### 10.0 HMRC

10.1 HMRC Annual event report for tax year 2015/16 and associated payments are currently being finalised in order to be submitted by 31 January 2017. Items to be reported include:

- Unauthorised payments e.g. where commuted lump sum payments exceed the maximum permitted by HMRC;
- Scheme sanction charges – this is a separate charge to income tax on the scheme administrator when an unauthorised payment is made;
- Members who have received a pension savings letter e.g. where a member's savings in a pension input period exceed the annual allowance.

### 11.0 Recommendation

11.1 That Members note the content of this report and:

- i) consider referring to the Scheme Advisory Board the issue relating to the inability to bring into payment the pension, before age 60, for a pension credit member, on serious medical grounds.
- ii) agree to review and revise their training needs analysis.

**JAN SAMS**

**Head of Personnel & Pensions**

[jan.sams@northyorkshire.gov.uk](mailto:jan.sams@northyorkshire.gov.uk)

17<sup>th</sup> January 2017

### Background documents

[http://www.wypf.org.uk/Member/Fire/Active/1992/IDRP/pdf/IDRP\\_Firefighters.pdf](http://www.wypf.org.uk/Member/Fire/Active/1992/IDRP/pdf/IDRP_Firefighters.pdf)

Firefighters' Pension Scheme Regulations 2014 (183(2))

## NORTH YORKSHIRE FIRE AND RESCUE AUTHORITY

Report of the Assistant Chief Fire Officer (Operations)30<sup>th</sup> January 2017

## CHAIRMAN'S REPORT

**1.0 Purpose of Report**

- 1.1 To update members of the Local Pensions Board and make a number of proposals.

**2.0 Introduction**

- 2.1 The Local Pensions Board has been operating for three meetings and the next scheduled meeting will mark two years since the LPB was formed. Recently there have been a number of developments in the advice available and the role LPBs are undertaking across the Country. The formation of the Scheme Advisory Board has yet to impact on the LPB but this is anticipated to affect or inform the LPB activities in the near future.

**3.0 Information**

- 3.1 The Service as part of changes to the Senior Management structure has advertised for a Pension Scheme Administrator/Manager role to replace the Personnel and Pensions Manager who has supported the LPB from its inception. It is anticipated that this new role will be filled in March and that an introductory meeting with the LPB will follow.
- 3.2 The Pensions Regulator has produced a Self-assessment tool kit for public service pension schemes. The LPB Chair and the Personnel and Pensions manager have undertaken a first review of the scheme within North Yorkshire and produced a gap analysis. The initial review of the self-assessment indicates that the LPB may need to meet more frequently, four times a year as opposed to twice a year. The next stage is for the LPB to meet informally to discuss and review the self-assessment and associated gap analysis.
- 3.3 The Pensions Regulator provides a Risk Register template for public service schemes. The template adapted for the NYLPB is attached as Appendix A. it is proposed that the template be populated by the LPB and the newly appointed Pensions post holder at the same time as reviewing the self-assessment exercise.
- 3.4 In order to make best use of LPB Members time it is proposed to hold an informal workshop/meeting to meet the new appointee, review the self-assessment and gap analysis and populate the risk register. These documents can then be formally reviewed as part of the standard agenda of formal LPB meetings. A formal meeting of the LPB may follow or take place on the same day as the informal workshop/meeting.

**4.0 Recommendation**

- 4.1 That Members note the report.
- 4.2 That Members agree to an informal workshop to discuss the matters in section 3 above and whether to hold a formal meeting of the LPB on the same day.

**J.RUSHWORTH**  
**Assistant Chief Fire Officer (Operations)**  
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**J SAMS**  
**Head of Personnel and Pensions**  
[jan.sams@northyorksfire.go.uk](mailto:jan.sams@northyorksfire.go.uk)  
01609 788 538

## NORTH YORKSHIRE FIRE AND RESCUE AUTHORITY

### Background Documents

None.

North Yorkshire Fire and Rescue Service Headquarters, Thurston Road, NORTHALLERTON,  
DL6 2ND

10<sup>th</sup> January 2017

# North Yorkshire Fire and Rescue Authority

## Local Pensions Board Risk Register

## Appendix A

Based upon The Pensions Regulator public service example risk register © The Pensions Regulator January 2015.

Risk area 1 – Operations	Likelihood (1: least likely, 10: most likely)	Impact (1: least likely, 10: most likely)	Score (likelihood x impact)	Control	Owner	Test	Next review	Comment
Operational disaster (fire/flood etc)				Business continuity procedures in place for administrator	Scheme manager			
				Business continuity plans in place for scheme manager	Scheme manager			
				Contracts with all advisers and suppliers are recorded on central database	Pension finance manager			
Member data incomplete or inaccurate				Annual report from administrator, used as basis for rectification plan	Scheme manager			
				'Not known at this address' returns from annual statements checked by tracing agency	Pension administrator			
Administration process failure/ maladministration				Formal agreement in place with administrator, including SLAs	Pension finance manager			
				Authority levels clearly agreed and kept up-to-date	Scheme manager			
				Review independent audit reports of administrator's processes	Scheme manager			
				Ongoing dialogue with third party administrator	Pension administration manager			
				Written reports and quarterly presentations by administrator to scheme manager	Scheme manager			

<b>Risk area 2 – Financial</b>	Likelihood (1: least likely, 10: most likely)	Impact (1: least likely, 10: most likely)	Score (likelihood x impact)	Control	Owner	Test	Next review	Comment
Excessive charges by suppliers				Annual review of scheme budget, quarterly review of costs incurred against budget	Scheme manager			
				Periodic review of suppliers	Scheme manager			
Fraud/Fraudulent behaviour				Conduct a monthly fraud monitoring process of incoming contributions payments against the schedule of contributions	Scheme manager			
				Check incoming and outgoing scheme funds against schemes forecast – reconciling all funds	Scheme manager			

<b>Risk area 3 – Funding</b>	Likelihood (1: least likely, 10: most likely)	Impact (1: least likely, 10: most likely)	Score (likelihood x impact)	Control	Owner	Test	Next review	Comment
Employer failure to pay contributions into scheme				Monthly monitoring of contribution payments by pension finance manager and administrators	Scheme manager			
				Ongoing dialogue with employer over willingness and ability to pay	Scheme manager			
				Annual audit	Pension finance manager			
Failure of non-public sector employers				Scheme manager monitoring of employer covenant and business strength	Scheme manager			
				Use of bonds and guarantees	Scheme manager			



Risk area 4 – Regulatory and compliance	Likelihood (1: least likely, 10: most likely)	Impact (1: least likely, 10: most likely)	Score (likelihood x impact)	Control	Owner	Test	Next review	Comment
Failure to interpret rules or legislation correctly				Up-to-date and documented training log, showing completion of scheme-specific and The Pensions Regulator’s educational material	Scheme manager			
				Technical advice and updates	Scheme manager			
Conflicts of interest				Pension board awareness of legal responsibilities	Pension board chair			
				All pension board members to declare any conflicts and potential conflicts	Scheme manager			