

## LOCAL PENSION BOARD

### Report of the Pensions Administrator / Manager

2 July 2019

#### PENSIONS UPDATE

#### **1.0 Purpose of Report**

- 1.1 To provide Members with information on scheme membership and scheme changes as well as training, governance and communication issues.

#### **2.0 Introduction**

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

#### **3.0 Scheme Membership Information**

- 3.1 The following active memberships of the firefighters' pension schemes are taken from pay data as at 10 May 2019 (for Wholetime Firefighters) and 15 May 2019 (for On-Call Firefighters) and compared with active membership as at 15 February 2019.

##### 3.1.1

Firefighters' Pension Schemes Membership	Wholetime	
	10/05/2019	15/02/2019
1992	51	53
2006	3	3
2015	224	221
Retained Modified	5	5
Opted Out	25	23

- 3.1.2 The variations for wholetime membership are as follows:

- **1992 scheme** 1 transitioned to 2015 scheme  
1 retirement
- **2006 scheme** no movement
- **2015 scheme** 1 transitioned in from 1992 scheme  
4 starters (WT recruitment, RDS staff on temporary WT or OSR posts)  
2 opt outs
- **Retained modified scheme** no movement

- **Opt Outs** 2 members have chosen to opt out of the 2015 Scheme

### 3.2

Firefighters' Pension Schemes Membership	On Call	
	15/05/2019	15/02/2019
1992	0	0
2006	6	7
2015	288	287
Retained Modified	14	16
Opted Out	30	29

3.2.1 The variations for On Call membership are as follows:

- **2006 scheme** 1 retirement
- **2015 scheme** 14 starters (new employees)  
1 opt out  
12 leavers
- **Retained modified scheme** 1 retirement  
1 leaver
- **Opt Outs** 1 member has chosen to opt out of the 2015 scheme

3.3 The following table shows the pension members according to each scheme as at 1 June 2019 compared to 27 February 2019. All scheme pension membership continues to be split between pensioners and dependants.

### 3.3.1

Firefighters' Pensions Schemes Membership	1/6/2019	27/2/2019
1992 (Pensioners)	428	428
1992 (Dependants – widow / partner / child pension)	82	81
2006	17	14
2006 (Dependants – widow / partner / child pension)	2	2
2015	8	7
2015 (Dependants – widow / partner / child pension)	2	2
Retained Modified	44	43
Retained Modified (Dependants – widow / partner / child pension)	0	0

3.3.2 The variations for members with a pensioner status are as follows:

- **1992 scheme** 1 retirement from active status implemented  
1 death of a pensioner  
1 widow's pension implemented
- **2006 scheme** 1 retirement from active status implemented  
2 retirement from deferred status implemented
- **2015 scheme** 1 retirement from active status implemented
- **Retained modified scheme** 1 retirement from active status implemented

3.4 The following table shows the deferred members of each scheme as at 1 June 2019, compared to those as at 27 February 2019.

3.4.1

Deferred data	01/06/2019	27/02/2019
1992	29	29
2006	141	147
RDS Modified	31	30
2015	129	122

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

#### **4.0 Internal Dispute Resolution Procedure (IDRP)**

4.1 There is an Internal Dispute Resolution Procedure for dealing with any complaints. Initial information can be accessed at:

<http://www.wyph.org.uk/Member/Fire/IDRP/InternalDisputeResolutionPro.aspx>

4.2 Since the last meeting of the Pensions Board in March 2019, there have been no complaints.

#### **5.0 Pension Board Training Update**

5.1 The following items have taken place since the last meeting:

- Data: Pensions in a digital era – 3 April 2019
- Local Pension Boards governance conference – 15 May 2019
- Local Pension Boards annual wrap-up training – 18 June 2019
- Ill-health and medical appeals workshop – 19 June 2019
- the Pension Board Training Register has been updated and redesigned since the previous meeting

5.2 The following LGA national training courses, that are of particular relevance to pension boards, are:

- Pensionable pay workshop – 18 July 2019
- Firefighters' Pensions AGM – 24 – 25 September 2019

Members are asked to note the upcoming training and to approve the revised training plan (which is available to the public). Board members will be advised of appropriate training events as the formal invites are circulated.

- 5.3 The May bulletin asked for a few minutes of our time to complete a survey on the LGAs current and future training provision:  
[https://www.surveymonkey.co.uk/r/FPS\\_training\\_survey](https://www.surveymonkey.co.uk/r/FPS_training_survey)

If you haven't yet, please could you complete it on behalf of the NYFRS pension board.

## 6.0 **Other Work Items**

- 6.1 Draft Annual Benefit Statements (ABS) and Active Members' Newsletters

Three variants of the ABS were issued to Board members on 4 June along with May's LGA bulletin. The statements differ to those from previous years.

## 7.0 **Legislative update**

- 2019/378 [The Police and Firefighters' \(Pensions etc.\) \(Amendment\) \(England and Wales\) Regulations 2019](#)  
2019/455 [The Public Service Pensions Revaluation Order 2019](#)  
2019/546 [The Pensions Increase \(Review\) Order 2019](#)

## 8.0 **Firefighters' Pension Schemes Bulletins Update**

- 8.1 **DWP launches midlife MOT website**

On 21 February 2019, the DWP launched a new [mid-life MOT website](#) aimed at encouraging people aged 40 plus to take a 'mid-life MOT' to assess their finances, wellbeing and career.

Do the Board agree that this would be a useful item to include in a future Information Bulletin?

- 8.2 **Pensions taxation**

The Bluelight team, in conjunction with the Fire Communications Working Group (FCWG), have adapted the following factsheets for members from those produced for the LGPS: [Annual Allowance](#) and [Lifetime Allowance](#).

- 8.3 **Valuation 2016: employer contributions**

I reported at our 27 March meeting the increase to employer pension contributions across the three schemes from 1 April 2019.

Scheme	2012 valuation	2016 valuation
FPS 1992 (incl RDS modified FPS 2006)	21.7%	<b>37.3%</b>
FPS 2006	11.9%	<b>27.4%</b>
FPS 2015	14.3%	<b>28.8%</b>

HM Treasury confirmed that they will be supporting FRAs in the first year with additional funding over and above the first £10m of the additional costs. This £10m is attributed to the employer contribution increases as a result of the SCAPE rate change from 3% to 2.8% as announced in Budget 2016.

The additional funding has now been approved by Treasury, and they will be providing a grant of £115m for the 2019/2020 year.

#### 8.4 Pension transitional arrangements: update on application to appeal

Following the Court of Appeal judgement in December 2018 in the McCloud and Sargeant transitional protections case, the Government made an application to the Supreme Court seeking permission to appeal the Court of Appeal's decision.

Initially the outcome of that application was expected in April, but indications now are that the outcome of that application will be known in July. As before though, the time estimate could change, depending on the Supreme Court's caseload and its management of the application.

#### 9.0 Update from National and Regional Groups

9.1 Helen to deliver.

#### 10.0 West Yorkshire Pension Fund Key Performance Indicators

10.1 The West Yorkshire Pension Fund provides monthly reporting on administration matters and Key Performance Indicators (KPI). The latest KPI results are shown below. There are no concerns to report.

North Yorks Fire (1 to 31 May 2019)						
WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIUM TARGET PERCENT	TARGET MET PERCENT	AVERAGE TIME TAKEN
Deferred Benefits Set Up on Leaving	10	10	9	85	90	7.2
Pension Estimate	6	10	6	85	100	5.67
Pension Set Up Payment of Lump Sum	1	3	1	85	100	1
Deferred Benefits Into Payment of Lump Sum	2	3	1	85	50	2.5
Retirement Actual	1	10	1	85	100	3
Change of Address	7	20	6	85	85.71	6
Change of Bank Details	2	20	2	85	100	1
General Payroll Changes	2	20	2	85	100	5.5
Life Certificate received	5	5	5	85	100	1
Death Grant Nomination Form Received	5	20	5	85	100	2.4

\* Deferred Benefits Set Up on Leaving – Other urgent work meant that these were low priority although members were informed that we had received leaver notifications and we would contact them with details of benefits in due course.

#### 11.0 Recommendations

11.1 That Members note the content of the report

**David Hood**

Pensions Administrator/ Manager

25 June 2019

**Background documents:**

2015 Firefighters' Scheme Complaints and Dispute process:

<http://www.wypf.org.uk/Member/Fire/IDRP/InternalDisputeResolutionPro.aspx>