

LOCAL PENSION BOARD
9 September 2020

Present:

*Scheme Manager
Representatives:*

Mike Pearson (MP)
(Ch)
Satnam Singh Rai
(SSR)
Amy Webb (AW)

Cllr George Wheeler
(GW)

*Scheme Member
Representatives:*

Andy Hallam (AH)

James Leslie (JL)

Other Attendees:

Steve Pope (SP) (Delegated Scheme Manager)

Caroline Gourlay (CG) (Rewards & Benefits
Manager)
Helen Scargill (HS) (West Yorkshire Pension
Fund)
Steve Yates (SY) (Note-taker)

Apologies:

*Scheme Manager
Representatives:*

*Scheme Member
Representatives:*

Peter Redbourn
(PR)
Ben Redwood (BR)

MIN NO.	ITEM TITLE
LPB/20/25	<u>Conflict of Interest Declaration</u> No new interests were declared.
LPB/20/26	<u>Notes</u> The Notes of the meeting held on 24 June 2020 were AGREED .
LPB/20/27	<u>Review of Actions</u> CONSIDERED updated Action Log listing Open Actions. Progress against actions was indicated in the comments column. It was noted that: <ul style="list-style-type: none"> • there would be an item elsewhere on the meeting agenda on KPIs (see Note LPB/20/34 below); • cyber-security was still to be examined by MP and SP; • fixed-term contracts had been added to the risk register. Confirmation was still awaited from the Local Government Association on whether the Scheme Advisory Board would share the legal advice it had obtained (see also Note LPB/20/35 below); • establishment of a secure page on Authority website for pension board Members (e.g. for WPF monthly updates) was still being progressed;

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	<ul style="list-style-type: none"> • the action on court cases and remedies was now closed (communications issued); • individual training needs analysis was being progressed; • the communicating IDRPs decisions action was closed (see Note LPB/20/32 below); • scheme membership numbers reporting was still pending but could be built into future KPIs for the Board (see Note LPB/20/34 below); • “Topics of interest” item was now closed (now featured on Board agenda – see Note LPB/20/37 below); • the Administration strategy consultation had been responded to. This featured elsewhere on the agenda for this meeting (see Note LPB/20/33 below).
LPB/20/28	<p><u>Training Update</u> NOTED latest version of the log identifying training undertaken by Board Members. BR was still outstanding and SP needed to renew his training.</p>
LPB/20/29	<p><u>Correspondence Update</u> NOTED latest version of the log listing all correspondence received and circulated to Board Members since the last meeting.</p>
LPB/20/30	<p><u>Website</u> NOTED that the website was considered up-to-date at this time.</p>
LPB/20/31	<p><u>Scheme Manager Update</u> CONSIDERED paper summarising current pension matters both locally and nationally which required input from the Service. In particular, the paper addressed:</p> <p><i>Pension Surveys and Annual Returns</i> While a response had been submitted to the Administration strategy consultation, the Local Government Association had indicated that it would consider any supplementary responses.</p> <p><i>Pension Communications (Annual Benefit Statements)</i> The issue of Annual Benefits Statements (ABS) was a key area. All ABS had been published and issued to members within required timescales. The Sargeant case had been referenced in the ABS, explaining that no adjustments could yet be made to pension projections included in the ABS.</p>

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	<p><i>Pension Projects (Transition Protection Judgement; O'Brien v Ministry of Justice)</i></p> <p>Following the Sargeant case, a remedy consultation document had been issued. There was also a summary leaflet on the government website. Information on "immediate detriment" cases was available but this did not have any legal status. Both the West Yorkshire Pension Fund (WYPF) and the Local Government Association (LGA) have advised seeking clarification on this.</p> <p>No further information on possible remedy stemming from the O'Brien (Matthews) case was available to date.</p> <p>Both cases could, though, generate significant work for both the Human Resources and Finance departments.</p> <p><i>Reporting Breaches of Law</i></p> <p>There had been no breaches to report since last meeting</p> <p><i>Internal Dispute Resolution Procedure (IDRP)</i></p> <p>There had been no new cases since the last meeting. Information concerning the IDRP process was available on the Service webpage along with links to information on the WYPF website. The Service IDRP policy had been amended to include timescales for communicating decisions. The optimum period was 15 days.</p> <p><i>Pension Administrator Quality of Service</i></p> <p>Key Performance Indicators (KPIs) were in place for WYPF, which had for the first year issued ABSs by the deadline. Data received by WYPF for the ABS was of a high standard.</p>
LPB/20/32	<p><u>Pensionable Pay - Pay for Availability (P4A)</u></p> <p>CONSIDERED supplementary agenda item seeking the view of the Board on whether the new Pay for Availability (P4A) payments should be considered as pensionable pay. The (delegated) Scheme Manager advised that application of the various tests (e.g. the Blackburn principles) indicated that this should be pensionable.</p> <p>The consensus of the Board was that P4A should be considered as pensionable.</p>
LPB/20/33	<p><u>Consultation on Draft Template FPS Administration, Management and Governance Strategy</u></p> <p>CONSIDERED consultation document, response as submitted by the Authority Treasurer and the proposed draft template. It was felt that elements of service performance and time taken to resolve complaints might be included in the template. The Local Government Association and Scheme Advisory Board (SAB) were hoping that having a consistent strategy would assist with future collaborative procurements for scheme administration.</p>

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	<p>The consensus of the Board was that, pending the outcome of the consultation, the template should be adopted and existing Board documentation and toolkits adapted accordingly in line with the template. ACTION MP to progress (subject to the outcome of the consultation).</p>
<p>LPB/20/34</p>	<p><u>Potential Key Performance Indicators for the Service and Board</u></p> <p>CONSIDERED paper setting out considerations for Key Performance Indicators (KPIs) that could be adopted for both the Scheme Manager and the Board.</p> <p>Establishment of KPIs would be a dynamic process, with further KPIs added in light of experience. Consideration would need to be given to the measurement and reporting (e.g. via a dashboard) of the KPIs.</p> <p>ACTION CG to progress development of the KPIs.</p>
<p>LPB/20/35</p>	<p><u>Risk Register</u></p> <p>CONSIDERED latest version of the Board Risk Register (v1.07). Changes discussed at last meeting had been incorporated. Two new risks had been added, along with associated control measures (some of which were in development):</p> <ul style="list-style-type: none"> • failure of Board Members to maintain adequate knowledge; and • incorrect enrolment of firefighters in the pension scheme. <p>In relation to the second risk, SP was still seeking the legal advice obtained by the Local Government Association (LGA) and Scheme Advisory Board (SAB).</p>
<p>LPB/20/36</p>	<p><u>Firefighters' Pensions Scheme Annual Conference 2020</u></p> <p>CONSIDERED draft agenda for the Local Government Association Firefighters' Pensions Scheme Annual Conference, to be held via Zoom on Tuesday 22 and Wednesday 23 September 2020.</p> <p>Board Members were encouraged to attend where possible. Attendance would be recorded as CPD.</p>
<p>LPB/20/37</p>	<p><u>Topics of Interest</u></p> <p>MP commented that the intention was that this standing item should be Board driven, with Board Members suggesting in advance of meetings topics for consideration. This would then enable subject matter experts to join the meeting for consideration of those topics.</p>
	<p>LPB/20/37a <u>McCloud/Sargeant</u></p> <p>SP commented that the remedy consultation on proposals for the future was very comprehensive. While discrimination had been recognised, some people moving from the '92 scheme to a newer scheme could have better benefits in the newer scheme and so should be able to exercise some choice around this. But the question was when that choice should be exercised. Under the consultation, members in old schemes would be transferred automatically to the 2015 scheme from 2022.</p>

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	<p>JL had been advised that there could be a small percentage of staff who could be worse off after the remedy and that this seemed anomalous. ACTION JL to provide AW with details to consider when drafting consultation response.</p> <p>AW expressed the view that electing a scheme at the point of retirement carried the risks for administration (data transfer etc.) and previously unforeseen tax implications, for which there may not be sufficient expertise in the private sector to provide meaningful financial advice.</p> <p>“Immediate detriment” guidance had been issued but the legal status of this was still to be determined. Communications to staff may need to be issued in due course on the “immediate detriment” guidance.</p> <p>ACTION: HS to advise SP on issues the Scheme Manager might wish to feature in its response to the consultation (e.g. cost implications). AW commented that the potential cost implications had already been highlighted in the fire sector response to the government’s Comprehensive Spending Review (CSR).</p>
	<p>LPB/20/37b <u>O'Brien/Matthews</u></p> <p>These cases related to the impact of the Part-time Workers Regulations and when entitlement to pension schemes should have applied.</p>
LPB/20/38	<p><u>LPB Work Programme</u></p> <p>NOTED latest version of the Board work programme to December 2021. This would, though, be a rolling work programme, with indicative items subject to change. Other items could be incorporated as required.</p>
LPB/20/39	<p><u>Date of Next Meeting</u></p> <p>15.00hours, Wednesday 9 December 2020 via videoconference.</p>

The Meeting started at 3.00 pm and finished at 4.21 pm