



West Yorkshire
Fire & Rescue Service

LOCAL PENSION BOARD

Annual Report 2015 - 2016

OFFICIAL

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Reviewers

Name	Version Approved	Position	Organisation	Date
Nicola Houseman	V. 2	Committee Services Manager	West Yorkshire Fire and Rescue Authority	01/03/2016

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1 Foreword

The purpose of this West Yorkshire Local Pension Board Annual report is to provide a source of information about the status of West Yorkshire Fire and Rescue Authority Local Pension Board for Scheme members and for the Scheme Manager and a summary of issues considered in the relevant period (1 April 2015 – 31 March 2016)

In accordance with Section 5 and s.30 (1) of the Public Service Pensions Act 2013 and Regulation 4A of the Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, the West Yorkshire Fire and Rescue Authority Local Pension Board was established in February 2015 to provide advice on the effective and efficient administration and management of the various firefighter pension schemes. The Board held its inaugural meeting on 10 July 2015.

[The Local Government Pension Scheme for Green Book employees is monitored by the Local Pension Board established by the West Yorkshire Local Government Pension Scheme and does not form part of this Annual Report].

The Report includes commentary on the following;

- A summary of the work undertaken by the Local Pension Board during 2015 – 16
- Detail of areas investigated and how these areas were dealt with
- Any conflicts of interest and how these were managed
- Any identified risks and other areas of potential concern
- Any expenses and costs incurred by the Board
- Gifts and hospitality received by members of the Board
- Training for Board members

Information has also been categorised in parts of this Annual Report on the basis of the following Classifications

Classification	Action
	Outstanding
	Partially complete
	Complete

2 Membership and meetings of the Board

- 2.1 The West Yorkshire Fire and Rescue Authority Local Pension Board comprises 4 members as follows;
- 2 x Scheme Member representatives (Paul Drinkwater and Stuart Wilson)
- 2 x Scheme Manager representatives (Councillors Bryan Smith – Chair, and Peter Harrand)
- (plus Non-voting Officer Adviser(s) as appropriate)
- 2.2 The Board has met on 5 occasions in the 2015 – 16 year. Two of these meetings were scheduled in accordance with the approved frequency of meetings in the Terms of Reference. The remaining three meeting were convened in accordance with the provision in the Terms of Reference for the Chair to call additional meetings with the consent of the Board membership.

3 Work undertaken by the West Yorkshire Fire and Rescue Authority Local Pension Board 2015 – 16

- 3.1 The West Yorkshire Fire and Rescue Authority adopted Terms of Reference for the Local Pension Board on 20 February 2015. The work undertaken by the Board has been defined by the Terms of Reference which are due to be reviewed in July 2016.
- 3.2 The Board held its inaugural meeting on 10 July 2015 when the following Codes and Policies were agreed;
- Code of Conduct (applicable to Board members, technical advisers and any attendees participating in a meeting of the Board)
 - Registration of Interest and Conflicts Policy
 - Training policy and framework document
- 3.3 During the period 1 April 2015 – 31 March 2016 the following items were also considered by the Board;
- Detail of the Scheme Manager complaints procedure (statutory requirement)
 - Internal audit report on pensions dated 2 February 2015
 - Updates on establishment of national Scheme Advisory Board
 - Activity reports
 - Identification of areas for scrutiny and review
 - Identification of regular standing items
 - Annual review of the Corporate Risk Register
 - Training opportunities
 - Legislative updates

3.4 Each Activity report includes detail on the number of;

- pension scheme members across the various schemes
- number of new scheme members
- retirees
- pensioner members
- deferred members
- IDR (Internal Disputes Resolution Procedure) stage 1 and 2 complaints
- Opt-outs

3.5 Each agenda also includes the following standing items;

- legislative update
- compliance and complaints (part of Activity report)
- Pensions ombudsman cases (see section 8.)

4 Specific investigations and Board resolutions

4.1 The Board identified a number of areas that warranted further specific investigation. A summary of which and the relevant outcomes are detailed in the table below.

Meeting	Summary	Outcome / resolution	Completed
10 July 2015	Pension scheme opt-outs	Raising employee awareness on issues related to opting-out	
	Impact of 2015 scheme on female firefighters	Sought figure to assess possible disproportionate impact	
	Accuracy & timeliness of pension estimates	Timeline established to assist monitoring process	
4 December 2015	Costs and constitution of national Scheme Advisory Board	Detail required	
	Review of service level agreement with WY Pension Fund	Outcome to be reported to the Human Resources Committee	
	Pension scheme opt-outs (value of pension contributions)	Consideration to be given to providing staff with annual employment benefit statements	

5 Conflicts of interest

- 5.1 As statutorily required, members of the Local Pension Board complete a Declaration of Interests. The register is maintained by the West Yorkshire Fire and Rescue Authority Committee Services section.
- 5.2 There have been no declarations made by any member, adviser or attendee at any meeting of the Board during the relevant period.

6 Identified Risks and areas of concern

6.1

Meeting	Summary of risk	Outcome / resolution	Completed
10 July 2015	Internal Audit report – pension percentage table / configuration of SAP finance system	Report back when resolved.	
	BPEN1.S (back payment of Authority pension contributions covering the liability of Retained Duty System staff buying back retrospective service)	Report to next meeting(to include reference to the take-up of the modified pension scheme and any relevant delays in processing / payment.	
4 December 2015	Contracted out pensions – impact on National Insurance contributions	Advise all employees	
	Ongoing pension dispute	Noted	

- 6.2 IDRPs Stage 1 and 2 complaints are included as appropriate in the Activity report at each meeting of the Board.

7 Expenses and Costs

- 7.1 There has been no expenditure or costs incurred within the relevant period for the administration of the Board.

8 Gifts and Hospitality

- 8.1 There have been no declarations of gifts or hospitality received by Members of the Local Pension Board during the relevant period.

9 Training

- 9.1 It is a statutory requirement of the Public Service Pensions Act 2013 that members of the Local Pension Board should have the capacity to become conversant with, and develop a knowledge of, detailed related issues in order to effectively carry out their duties.
- 9.2 The following training has been provided during the course of the year to Local Pension Board members;
- National, / regional Local Government Association training event (July 2015)
 - Pensions Regulator e-learning package (Conflicts of Interest)
- 9.3 Members have also been provided with the following documentation;
- Guide to the Firefighters' Pension Scheme 1992 *
 - Guide to the 2006 Firefighters' Pension Scheme *
 - Public Service Pensions Code of Practice (Pensions Regulator) *
 - Guidance on the creation and operation of Local Pension Boards in England *
 - DWP State Pension changes briefing – December 2015
- *included in standard annual induction packs for new members as appropriate*
- 9.4 One standing item on the Local Pension Board agendas is consideration of relevant Pension Ombudsman cases. The summaries provided and Ombudsman decisions serve as a learning tool for LPB members.
- 9.5 During the course of the year, the following cases were reviewed;
- Milne v. Gadd
 - Beach v. Shropshire & Wrekin
 - Cherry v. Police & Crime Commissioner for South Wales

10 Legislative updates

- 10.1 As a statutory requirement, members of the Local Pension Board have been provided with regular legislative updates.
- 10.2 The following have been provided during the relevant period;
- Contracted-out pension scheme status and impact on National Insurance contributions (non-firefighter specific , paragraph 5 refers)
 - Revaluation and commutation (2006 Firefighter Pension Scheme)

