



Agenda for a meeting of the West Yorkshire Pension Fund Pension Board to be held on Tuesday, 21 March 2023 at 10.30 am in WYPF, Aldermanbury House, Godwin Street, Bradford

This is the reconvened meeting from 13 December 2022

Members of the Committee

Employer Representatives	Member Representatives
Councillor S Lal (Chair) – Bradford	Mr P Charlton – GMB
Councillor L Martin– Leeds	Mr M Binks – Unison
Councillor L Malkin - Wakefield	Mr I Dziya – Unison
Ben Petty - Employer	Mr M Morris – Unite the Union

Notes:

- This agenda can be made available in Braille, large print or tape format on request by contacting the Agenda contact shown below.
- The taking of photographs, filming and sound recording of the meeting is allowed except if Councillors vote to exclude the public to discuss confidential matters covered by Schedule 12A of the Local Government Act 1972. Recording activity should be respectful to the conduct of the meeting and behaviour that disrupts the meeting (such as oral commentary) will not be permitted. Anyone attending the meeting who wishes to record or film the meeting's proceedings is advised to liaise with the Agenda Contact who will provide guidance and ensure that any necessary arrangements are in place. Those present who are invited to make spoken contributions to the meeting should be aware that they may be filmed or sound recorded.
- If any further information is required about any item on this agenda, please contact the officer named at the foot of that agenda item.

From:

Asif Ibrahim

Director of Legal and Governance

Agenda Contact: Jane Lythgow/Su Booth

Phone: 01274 432270/07814 073884

E-Mail: jane.lythgow@bradford.gov.uk/susan.booth2@bradford.gov.uk

To:

A. PROCEDURAL ITEMS

1. DISCLOSURES OF INTEREST

(Members Code of Conduct – Part 4A of the Constitution)

To receive disclosures of interests from members and co-opted members on matters to be considered at the meeting. The disclosure must include the nature of the interest.

An interest must also be disclosed in the meeting when it becomes apparent to the member during the meeting.

Notes:

- (1) *Members must consider their interests, and act according to the following:*

Type of Interest

You must:

Disclosable Pecuniary Interests

Disclose the interest; not participate in the discussion or vote; and leave the meeting unless you have a dispensation.

Other Registrable Interests (Directly Related)

OR

Non-Registrable Interests (Directly Related)

Disclose the interest; speak on the item only if the public are also allowed to speak but otherwise not participate in the discussion or vote; and leave the meeting unless you have a dispensation.

Other Registrable Interests (Affects)

OR

Non-Registrable Interests (Affects)

Disclose the interest; remain in the meeting, participate and vote unless the matter affects the financial interest or well-being

(a) to a greater extent than it affects the financial interests of a majority of inhabitants of the affected ward, and

(b) a reasonable member of the public knowing all the facts would believe that

it would affect your view of the wider public interest; in which case speak on the item only if the public are also allowed to speak but otherwise not do not participate in the discussion or vote; and leave the meeting unless you have a dispensation.

- (2) *Disclosable pecuniary interests relate to the Member concerned or their spouse/partner.*
- (3) *Members in arrears of Council Tax by more than two months must not vote in decisions on, or which might affect, budget calculations, and must disclose at the meeting that this restriction applies to them. A failure to comply with these requirements is a criminal offence under section 106 of the Local Government Finance Act 1992.*
- (4) *Officers must disclose interests in accordance with Council Standing Order 44.*

2. MINUTES

Recommended –

That the minutes of the meetings of the reconvened meeting of 13 September 2022, held on 18 October 2022, be signed as a correct record (previously circulated).

(Jane Lythgow – 01274 432270 / Su Booth 07814 073884)

3. INSPECTION OF REPORTS AND BACKGROUND PAPERS

(Access to Information Procedure Rules – Part 3B of the Constitution)

Reports and background papers for agenda items may be inspected by contacting the person shown after each agenda item. Certain reports and background papers may be restricted.

Any request to remove the restriction on a report or background paper should be made to the relevant Strategic Director or Assistant Director whose name is shown on the front page of the report.

If that request is refused, there is a right of appeal to this meeting.

Please contact the officer shown below in advance of the meeting if you wish to appeal.

(Jane Lythgow / Su Booth – 01274 432270 / 07814 073884)

B. BUSINESS ITEMS

4. LOCAL GOVERNMENT PENSION SCHEME REGULATIONS UPDATE 1 - 8

The report of the Managing Director, West Yorkshire Pension Fund, (**Document “V”**) updates the Pension Board on changes to the Local Government Pension Scheme (LGPS) 2014 and provides information on associated matters.

Recommended –

That the report be noted.

(Tracey Weaver - 01274) 433571)

5. REGISTER OF BREACHES 9 - 18

The Managing Director, West Yorkshire Pension Fund, will present a report (**Document “W”**) which informs Members that, in accordance with the Public Service Pensions Act 2013, from April 2015, all Public Service Pension Schemes fall under the remit of the Pensions Regulator.

Section 70 of the Pensions Act 2004 (the Act) imposes a requirement to report a matter to The Pensions Regulator as soon as it is reasonably practicable where that person has reasonable cause to believe that:

- a) A legal duty relating to the administration of the scheme has not been or is not being complied with, and
- b) The failure to comply is likely to be of material significance to The Pensions Regulator in the exercise of any of its functions.

A register of any breaches of the Pensions Code of Practice is maintained in accordance with the WYPF Breaches Procedure. The Register of Breaches 2022/23 is appended to Document “W”.

Recommended –

That the entries and actions taken on the Register of Breaches of Law contained in the appendix to Document “W” be noted.

(Caroline Blackburn – 01274 434523)

6. PENSIONS ADMINISTRATION 19 - 44

The report of the Managing Director, West Yorkshire Pension Fund (**Document “X”**) provides an update on West Yorkshire Pension Fund’s (WYPF) pensions administration activities for the period 1 July 2022 to 30 September 2022.

Recommended –

That the report be noted.

(Yunus Gajra - 01274 432343)

7. MONTHLY DATA POSTING - PHASE (MP Phase 3) 45 - 50

The report of the Managing Director, West Yorkshire Pension Fund (**Document “Y”**) presents an overview of West Yorkshire Pension Fund Monthly Data Posting System and update on the latest version of the system “MP Phase3”.

Recommended –

Members are asked to note the report and make suggestions for any improvements to the Monthly Data Posting System

(Ola Ajala – 01274 434534)

8. McCLOUD - EFFECTS ON LOCAL GOVERNMENT 51 - 56

The report of the Managing Director, West Yorkshire Pension Fund (**Document “Z”**) will be submitted to the Board to provide details of the work undertaken in anticipation of the regulations being made in light of the McCloud remedy. This follows the release, in July 2020 of the government’s long awaited consultation on applying the remedy to address the age discrimination inherent in the transitional protections that were adopted by the public service scheme in 2014. The response to the consultation was expected before the summer recess in July 2022, however, that was not received and is expected towards the end of the year with draft regulations issued shortly afterwards

Recommended –

That the report be noted.

(Caroline Blackburn – 07790353179)

9. ACTUARIAL VALUATION 2022 57 - 60

The report of the Managing Director, West Yorkshire Pension Fund (**Document “AA”**) provides an update of the work undertaken to date on the 2022 Actuarial Valuation and the next steps.

Recommended –

That the report be noted.

(Caroline Blackburn – 07790353179)

10. TRAINING REQUIREMENTS 61 - 66

The report of the Director, West Yorkshire Pension Fund, (**Document “AB”**) reminds Members that the role of The Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Council as Scheme Manager in ensuring the

effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) including securing compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS; securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and any other such matters as the LGPS regulations may specify.

The training of Pension Board members to understand their responsibilities and the issues they are dealing with is a very high priority. To be able to assist the Scheme Manager and meet the requirements of the Public Service Pensions Act 2013, Pension Board Members must be able to demonstrate suitable knowledge and skills relating to the LGPS to effectively scrutinise the decisions made by officers.

Details of training courses, conferences and seminars are contained in Document "AB" to assist Board Members.

Recommended –

- 1. That the TPR Toolkit online training and the Hymans Robertson online Learning Academy training be undertaken to allow Members to meet the requirements defined by the Public Service Pensions Act 2013.**
- 2. That consideration be given to attending training events and conferences provided by PLSA, LGA and actuaries.**

(Matt Mott – 07815 476877)



Report of the Managing Director of West Yorkshire Pension Fund to the meeting of West Yorkshire Pension Fund Pension Board to be held on 13 December 2022

V

Subject: Local Government Pension Scheme Regulations update

Summary statement:

This report updates the Pension Board on changes to the Local Government Pension Scheme (LGPS) 2014 and provides information on associated matters.

EQUALITY & DIVERSITY:

Not Applicable

Euan Miller
Managing Director

Portfolio: Corporate

Report Contact: Tracy Weaver
Phone: (01274) 433571
E-mail: tracy.weaver@wypf.org.uk

1 Background

- 1.1 The career average Local Government Pension Scheme (LGPS) was introduced on 1 April 2014.
- 1.2 Since the introduction of the new LGPS there have been a number of consultations on proposed changes to the LGPS, following which amendment regulations have been issued.
- 1.3 On 19 September 2021, the Government announced that the Ministry of Housing, Communities and Local Government (MHCLG) became the Department for Levelling Up, Housing and Communities (DLUHC).

2 Consultation on Fair Deal – Strengthening pension protection

- 2.1 On 10 January 2019 Ministry of Housing, Communities and Local Government (MHCLG) issued a consultation on Fair Deal – Strengthening pension protection.
- 2.2 The consultation closed on 4 April 2019, and we are still waiting for DLUHC to publish its response.
- 2.3 On 8 September 2022 DLUHC published its response to this consultation, which said it was reconsidering its approach to Fair Deal in the context of the LGPS.

3 Consultation: Local valuation cycle and the management of employer risk

- 3.1 On 8 May 2019 MHCLG issued a 12 week policy consultation called 'LGPS: Changes to the local valuation cycle and the management of employer risk'.
- 3.2 The consultation closed on 31 July 2019.
- 3.3 On 20 March 2020 the LGPS (Amendment) Regulations 2020 came into force. These regulations provide administering authorities with a discretion to determine the amount of exit credit which should be payable to an employer leaving the LGPS with a surplus.
- 3.4 The LGPS (Amendment) (No.2) Regulations 2020 came into effect from 23 September 2020. These regulations provide for new flexibilities that allow employer contributions to be reviewed between valuations, an exiting employer to enter into a Deferred Debt Agreement and an exit deficit to be paid in instalments. Following a consultation WYPF's Funding Strategy Statement has been updated to include policies on applying these new flexibilities.

3.5 DLUHC has yet to publish its response to the other matters contained in the consultation, which included changes to the LGPS Local Valuation Cycle, and employers required to offer LGPS membership.

4 Other LGPS matters

4.1 McCloud remedy

On 16 July 2020 both HMT and MHCLG published consultations on the McCloud remedy. The MHCLG consultation closed on 8 October 2020.

On 13 May 2021 Luke Hall, the Local Government Minister made a written statement on McCloud and the LGPS. The statement confirms the key changes to scheme regulations that will be made to remove age discrimination from the LGPS.

On 19 July 2021 HM Treasury formally introduced to Parliament the Public Service Pensions and Judicial Offices Bill, which makes provision to rectify the unlawful age discrimination identified by the McCloud judgment.

For the LGPS, Chapter 3 of Part 1 confirms which members will be in scope and what service is 'remediable'. Enabling legislation will allow for scheme regulations to be changed to implement the McCloud remedy.

On 10 March 2022, the Public Service Pensions and Judicial Offices Act 2022 received Royal Assent. The main purpose of the Act is to give the relevant government departments the regulatory powers to resolve the discrimination identified in the McCloud judgment.

DLUHC are expected to issue further consultations to make the necessary changes to the LGPS Regulations 2013.

4.2 Cost Control Mechanism

Alongside publication of the McCloud consultation, HMT announced that the pause of the cost control mechanism would be lifted. The Scheme Advisory Board (SAB) also said it would be re-examining its results from its cost management process. It was also announced that there would be a review of the cost management process.

On 15 June 2021 the Government Actuary published his final report on his review of the cost control mechanism.

On 24 June 2021 HM Treasury launched consultations on proposed changes to the cost control mechanism and the SCAPE discount methodology.

On 4 October 2021, HMT published its response to the Public Service Pensions: cost control mechanism consultation.

SAB published the outcome of its cost management process for the 2016 valuation on 15 October 2021. SAB agreed to spread McCloud costs over a 10 year period (rather than the 4 used by HMT) resulting in an outcome of 19.4% against a target cost of 19.5%. Despite the slight shortfall in cost SAB agreed not to recommend any scheme changes.

GAD has now published cost cap valuation reports for all 20 public service pension schemes and it has confirmed that no changes to member benefits or contributions are required as a result of these reports.

However, on 4 July 2022, the Fire Brigades Union and the British Medical Association were given permission to judicially review the UK Government's decision to include the McCloud remedy costs in the 2016 cost control valuations. The cases will be heard together. Though the case will look at the firefighters' and NHS pension schemes, the outcome may have an impact on the LGPS. This is because the first cost control valuations in the LGPS also included the McCloud remedy costs.

4.3 Scheme Advisory Board's Good Governance Report

In 2019 SAB commissioned Hymans Robertson to prepare a report on the effectiveness of current LGPS governance models and to consider alternatives or enhancements to existing governance models which can strengthen the LGPS going forward. On 31 July 2019 SAB published this report. The phase two report from the Working Groups to SAB was published in November 2019.

When it met on the 8th February 2021 the SAB agreed that the Good Governance – Final Report should be published, and for the Chair to submit the Board's Action Plan to the Local Government Minister for consideration. SAB has now published its action plan and SAB are now waiting to see how DLUHC responds to its proposals.

4.4 LGPS statistics for 2021/22

On 26 October 2022, DLUHC published the Local government pension scheme statistics for England and Wales: 2021 to 2022. Highlights include:

- total expenditure of £14.4 billion, an increase of 6.6 per cent on 2020/21
- total income of £15.9 billion, a decrease of 8.1 per cent on 2020/21
- employer contributions decreased by 24.3 per cent on 2020/21 to £7.8 billion
- employee contributions of £2.6 billion, an increase of 4.8 per cent
- the market value of LGPS funds on 31 March 2022 was £364 billion, an increase of 8 per cent
- there were 6.3 million scheme members on 31 March 2022: 2.0 million

active members, 1.9 million pensioners and 2.3 million deferred members

- there were 94,724 retirements in 2021/22, an increase of 14.2 per cent compared with 2020/21

5 Other matters

5.1 Money and Pensions Service - Pensions dashboard update

On 27 May 2021, the Pensions Dashboard Programme (PDP) launched a call for input on staging. The call for input closed on 9 July 2021. PDP received just over 60 responses to the call for input from a variety of stakeholders, which will be used to feed into further policy development of pension dashboards.

On 7 December 2021, the Pensions Administration Standards Association published initial guidance on the choice of data matching convention schemes must make ahead of their compliance with the upcoming pensions dashboards legislation.

On 15 December 2021, PDP announced that it has selected three potential dashboard providers to take part in initial development of the dashboards ecosystem: Aviva, Bud and Moneyhub. In addition to the Money and Pensions Service's non-commercial dashboard, the PDP will work with these companies to support the early work on design standards and technology.

On 16 December 2021, the Pensions and Lifetime Savings Association published an A to Z industry guide containing decisions that are required to make the initial pensions dashboards a success.

On 31 January 2022 DWP published a consultation on the draft Pensions Dashboards Regulations 2022. The purpose of the consultation is to seek views on a range of policy questions relating to the creation on pensions Dashboards. The consultation closed on 13 March 2022.

The DWP launched a further consultation on pension dashboards on 28 June 2022. The further consultation sets out two proposals. The first proposal provides clarity on the 'Dashboard Available Point' (DAP). The second proposal allows the Money and Pensions Service and the Pensions Regulator to share information about dashboards with each other. The consultation closed on 19 July 2022.

On 4 July 2022, the Pensions Administration Standards Association published the Dashboard Accuracy Data Guidance. The guidance highlights the importance of regularly testing data for accuracy. This is particularly important for data that pension schemes will use when matching requests from the dashboards. The guidance provides information on how schemes could test their data and what data sources they could use

On 14 July 2022, DWP responded to the consultation on the draft Pensions Dashboards Regulations. DWP has also published a summary of the key policies.

The summary reflects the response to the consultation.

The key area of the response that affect LGPS administering authorities is the staging deadline for the LGPS and all other public service pension schemes will be deferred from 30 April 2024 to 30 September 2024.

On 19 July 2022, the PDP launched a consultation on dashboard standards and guidance, and a call for input on the design standards. Both the consultation and the call for input will close on 30 August 2022. Following this call for input, a consultation on the final design standards will run for six weeks.

On 17 October 2022 the draft Pensions Dashboards Regulations 2022 were laid by Parliament, alongside the publication of the Government's response to the further consultation on pensions dashboards. The draft regulations were approved by Parliament on 17 November 2022.

5.2 The Pensions Regulator Consultation on a new Code of Practice

On 17 March 2021 the Pensions Regulator (TPR) published a consultation on a new code of practice. This consultation focuses on the draft content for the first phase of its new code of practice. The new code consists of 51 shorter, topic-based modules and will replace 10 of its existing codes of practice, which mainly deal with the governance and administration of pension schemes.

TPR has published an interim response to the new code of practice consultation. Responses to the consultation included around 10,000 individual answers. TPR has issued the interim response to allow time to consider these responses and to incorporate code content arising from the Pension Schemes Act 2021 into the new code.

TPR does not have a firm publication date for the new code. It is not now expected for the new code of practice to be published until the new year.

5.3 Second Review of State Pension Age

DWP launched the second review of the State Pension Age on 14 December 2021. The review will consider if the State Pension Age (SPA) rules are still appropriate based on the latest life expectancy data and other evidence. Two independent reports will be commissioned as part of the review:

- the Government Actuary will provide a report assessing the appropriateness of SPA considering the latest life expectancy projections
- Baroness Neville-Rolfe will provide a report on other relevant factors including recent trends in life expectancy and other metrics.

On 7 January 2022, DWP published the terms of reference for the independent report to be led by Baroness Neville-Rolfe.

Between 9 February 2022 and 25 April 2022 DWP consulted on a call for evidence, which sought views on what metrics should be considered when setting the State Pension Age.

DWP is due to publish the outcome of the review in May 2023.

5.4 Call for evidence - helping savers understand their pension choices

On 14 June 2022, the Department for Work and Pensions (DWP) launched a Call for Evidence entitled: 'Helping savers understand their pension choices'.

The call for evidence explores what support pension scheme members need to help them make informed decisions about how to use their savings.

The consultation closed on 25 July 2022 and responses are currently being analysed.

OTHER CONSIDERATIONS

None

6. FINANCIAL & RESOURCE APPRAISAL

None

7. RISK MANAGEMENT AND GOVERNANCE ISSUES

None

8. LEGAL APPRAISAL

None

9. OTHER IMPLICATIONS

9.1 SUSTAINABILITY IMPLICATIONS

None

9.2 GREENHOUSE GAS EMISSIONS IMPACTS

None

9.3 COMMUNITY SAFETY IMPLICATIONS

None

9.4 HUMAN RIGHTS ACT

None

9.5 TRADE UNION

None

9.6 WARD IMPLICATIONS

None

**9.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

None

9.8 IMPLICATIONS FOR CORPORATE PARENTING

None

9.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None

10. NOT FOR PUBLICATION DOCUMENTS

None

11. OPTIONS

None

12. RECOMMENDATION

It is recommended that the Pension Board note the report.

13. APPENDICES

None



Report of the Managing Director, to the meeting of West Yorkshire Pension Fund Local Pension Board to be held on 13 December 2022.

W

Subject: Register Of Breaches

Summary statement:

In accordance with the Public Service Pensions Act 2013, from April 2015 all Public Service Pension Schemes come under the remit of the Pensions Regulator.

Section 70 of the Pensions Act 2004 (the Act) imposes a requirement to report a matter to The Pensions Regulator as soon as is reasonably practicable where that person has reasonable cause to believe that:

- (a) a legal duty relating to the administration of the scheme has not been or is not being complied with, and
- (b) the failure to comply is likely to be of material significance to The Pensions Regulator in the exercise of any of its functions.

A Register of Breaches of Law is therefore maintained in accordance with the Pensions Regulator's requirements and WYPF Breaches procedure.

EQUALITY & DIVERSITY:

None

Euan Miller
Managing Director

Portfolio:

Leader of Council and Corporate

Report Contact: Caroline Blackburn,
Head of Employer Services and
Compliance
Phone: 07790353179
E-mail: caroline.blackburn:wypf.org.uk

Overview & Scrutiny Area: Corporate

1. SUMMARY

1.1 In accordance with the Public Service Pensions Act 2013, from April 2015 all Public Service Pension Schemes come under the remit of the Pensions Regulator.

1.2 A Register of Breaches of Law is maintained in accordance with the Pensions Regulator's requirements and WYPF Breaches procedure.

2. BACKGROUND

2.1 Section 70 of the Pensions Act 2004 (the Act) imposes a requirement to report a matter to the Pensions Regulator as soon as reasonably practicable where a person has reasonable cause to believe that:

- (a) a legal duty relating to the administration of the scheme has not been or is not being complied with, and
- (b) the failure to comply is likely to be of material significance to the Pensions Regulator in the exercise of any of its functions.

2.2 This requirement applies to:

- a trustee or manager of an occupational or personal pension scheme;
- a member of the pension board of a public service pension scheme;
- a person who is otherwise involved in the administration of an occupational or personal pension scheme;
- the employer in relation to an occupational pension scheme;
- a professional adviser in relation to such a scheme; and
- a person who is otherwise involved in advising the trustees or managers of an occupational or personal pension scheme in relation to the scheme.

2.3 The Act states that a person can be subject to a civil penalty if he or she fails to comply with this requirement without a reasonable excuse. The duty to report breaches under the Act overrides any other duties the individuals listed above may have. However, the duty to report does not override 'legal privilege'. This means that, generally, communications between a professional legal adviser and their client, or a person representing their client, in connection with legal advice being given to the client, do not have to be disclosed.

2.4 A record of past breaches may be relevant in deciding whether to report a breach (for example it may reveal a systemic issue). WYPF maintains a record of all reported or unreported breaches.

2.5 The Register of Breaches of Law (reported or otherwise) is provided to each Joint Advisory Group meeting, and is also shared with the Pension Board

3. Breaches

3.1 The entries on the Register of Breaches for 2022/2023 relate to:

- Contributions being paid late by employers and therefore not being received by the fund until after the Pension Regulator's deadline of the 21st day of the following month.
- the non-issue of Annual Benefit Statements by the 31 August 2022 for a small number of active members.

3. OTHER CONSIDERATIONS

None

4. FINANCIAL & RESOURCE APPRAISAL

None

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

None

6. LEGAL APPRAISAL

6.1 Appendix A details whether each Breach has been deemed to be of material significance and as a result been reported to the Pensions Regulator in accordance with Section 70 of the Pensions Act 2004.

7. OTHER IMPLICATIONS

7.1 SUSTAINABILITY IMPLICATIONS

None.

7.2 GREENHOUSE GAS EMISSIONS IMPACTS

None.

7.3 COMMUNITY SAFETY IMPLICATIONS

None.

7.4 HUMAN RIGHTS ACT

None.

7.5 TRADE UNION

None.

7.6 WARD IMPLICATIONS

None

**7.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

None

7.8 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

None.

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

8. NOT FOR PUBLICATION DOCUMENTS

None

9. OPTIONS

N/A

10. RECOMMENDATIONS

It is recommended that the Local Pension Board note the entries and action taken on the Register of Breaches.

11. APPENDIX

- Appendix A – Register of Breaches 2022/2023

WYPF Breaches of Law 2022-2023

Date	Category (eg administration, contributions, funding, investments)	Pensions Regulator code of practice paragraph	Description and cause of breach	Possible effect of breach and wider implications	Reaction of relevant parties to breach	Reported/ Not reported	Outcome of report and or investigations	Out-standing Actions
Sept 2022	<u>Administration</u> Issue of Annual Benefit Statements (ABS)	189	<p>Scheme regulations require an ABS be provided to each active member by the 31 August each year</p> <p>At 31 August 22 98.39% of statements had been sent out.</p> <p>(Members at 31 March 22 = 181285</p> <p>ABS issued = 178365)</p>	1.61% of active eligible members did not receive their ABS within prescribed time limits	Only accurate ABS are sent out. Work continues to release ABS to be sent out as soon as the record is in a position to have a correct ABS produced.	Not reported	Due to the relative low numbers this breach is not regarded as of material significance	Outstanding ABS continue to be issues as soon as the ABS block has been resolved
See schedule below	<u>Administration</u> Maintaining contributions	147	<p>Employee's pension contributions must be paid to the manager of the scheme by the 19th day of the month following deduction or by 22nd day if paid electronically.</p> <p>Please see schedule below for details of employers who failed to make payment by the appropriate date.</p>	Contributions not received by the scheme within the prescribed timescales	<p>Immediate action: All employers have a designated business partner who contact each employer to make them aware of any late payment. Subsequent late payments incur an admin fee and are notified that further late payments may be reported to the Pensions Regulator.</p> <p>Continuing Action: Employers are closely monitored. Records of each employer who fail to make payment each month are maintained.</p>	Not reported		All outstanding payments are chased up

WYPF Breaches of the Law 2022 -2023

WYPF Breaches of the Law 2022 -2023

Month	Employer	Date contributions due	Date paid	Value of late contributions
Carry over from 2021/22	Basketball England	21.11.2021	No contributions received yet	985.36
April 2022	Halifax Opportunities trust (Calderdale)	21.05.2022	23.05.2022	3228.95
	Fleet Factors	21.05.2022	17.06.2022	88.97
	Atalian Servest (Mast Academy Trust)	21.05.2022	30.06.2022	3281.85
	Hutchinson Catering Ltd (Cottingley Primary Academy)	21.05.2022	06.06.2022	508.38
	Hutchinson Catering Ltd (Feversham Primary Academy)	21.05.2022	06.06.2022	717.22
	Kirklees Citizen Advice and Law Centre	21.05.2022	10.06.2022	762.76
	Enviroserve (Priestley Academy Trust)	21.05.2022	No contributions received yet	
May 2022	Arcadis (UK) Ltd	21.06.2022	22.06.2022	3988.37
	Atalian Servest (Mast Academy trust)	21.06.2022	30.06.2022	3451.74
	Enviroserve (Priestely Academy Trust)	21.06.2022	No contributions received yet	
June 2022	South Elmsall Town Council	21.07.2022	05.08.2022	1184.37
	Fleet Factors	21.07.2022	19.08.2022	88.97
	Pool Parish Council	21.07.2022	26.07.2022	298.06
	Sitlington Parish Council	21.07.2022	08.09.2022	1011.14
	Heaton St Barnabas C of E Primary School	21.07.2022	08.09.2022	10182.04
	St Bedes and St Joseph's Catholic College	21.07.2022	08.09.2022	37960.78
	Low Moor Primary	21.07.2022	08.09.2022	9137.74
	Midshire Signature Services Ltd (Bronte Academy Trust)	21.07.2022	19.08.2022	419.91
	Hutchinson Catering Limited	21.07.2022	31.08.2022	96.27
	Independent Cleaning Services Ltd (Star Academies Trust)	21.07.2022	12.09.2022	509.42
	Midshire Signature Services Ltd (Coop Academy Smithies Moor)	21.07.2022	20.09.2022	475.02
	Basketball England	21.07.2022	No contributions received yet	
	Aspire Igen Group Ltd	21.07.2022	23.08.2022	3922.91

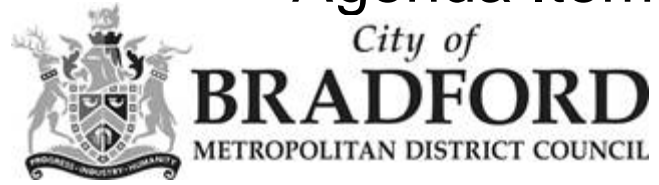
WYPF Breaches of the Law 2022 -2023

	Ryhill Parish Council	21.07.2022	No contributions received yet	
	Enviroserve (Priestley Academy Trust)	21.07.2022	No contributions received yet	
July 2022	South Elmsall Town Council	21.08.2022	14.09.2022	1296.57
	Aspire Igen Group Ltd	21.08.2022	23.08.2022	3922.91
	CBRE Managed Services Ltd	21.08.2022	01.09.2022	2343.99
	Independent Cleaning Services Ltd (Star Academies Trust)	21.08.2022	12.09.2022	514.02
	Bulloughs (Temple Learning Academy RKLt)	21.08.2022	18.10.2022	3757.48
	Hutchinsons Catering Services Ltd (Iveson)	21.08.2022	31.08.2022	129.57
	Mellors Catering Services Ltd (Elevate MAT)	21.08.2022	19.10.2022	455.62
	Bulloughs Cleaning Services Ltd (Share MAT)	21.08.2022	13.10.2022	531.78
	Midshire Signature Services Ltd (Coop Academy Smithies Moor)	21.08.2022	20.09.2022	461.51
	Ryhill Parish Council	21.08.2022	No contributions received yet	
	Arcadis (UK) Ltd	21.08.2022	No contributions received yet	
	Enviroserve (Priestley Academy Trust)	21.08.2022	No contributions received yet	
August 2022	Micklefield Parish Council	21.09.2022	23.09.2022	332.93
	Fleet Factors	21.09.2022	05.10.2022	88.97
	Pool Parish Council	21.09.2022	29.09.2022	298.06
	Moorlands Learning Trust	21.09.2022	03.10.2022	41327.81
	South Pennines Academies	21.09.2022	27.09.2022	20722.98
	Affinity Trust	21.09.2022	12.10.2022	499.75

WYPF Breaches of the Law 2022 -2023

	Future Cleaning Services Ltd (Calderdale High)	21.09.2022	05.10.2022	893.11
	Bulloughs (Temple Learning Academy RKLt)	21.09.2022	18.10.2022	4390.48
	Bulloughs (Cleaning Services LTD (Share MAT)	21.09.2022	13.10.2022	677.45
	South Elmsall Town	21.09.2022	No contributions received yet	
	St Anne's Community Services	21.09.2022	No contributions received yet	
	St Anne's (Bradford) Community Services	21.09.2022	No contributions received yet	
	Enviroserve (Priestley Academy Trust)	21.09.2022	No contributions received yet	
Sept 2022	Greenhead Sixth Form College	21.10.2022	02.11.2022	36980.52
	Arcadis (Uk) Ltd	21.10.2022	03.11.2022	2248.68
	RCCN Ltd (Chellow Heights School)	21.10.2022	11.11.2022	679.23
	Ryhill Parish Council	21.10.2022	No contributions received yet	
	South Elmsall Town Council	21.10.2022	No contributions received yet	
	South Hiendly Parish Council	21.10.2022	No contributions received yet	
	Enviroserve (Priestley Academy Trust)	21.10.2022	No contributions received yet	

This page is intentionally left blank



Report of the Managing Director, West Yorkshire Pension Fund to the meeting of West Yorkshire Pension Fund Pension Board to be held on 13 December 2022.

X

Subject: Pensions Administration

Summary statement:

This report gives an update on West Yorkshire Pension Fund's (WYPF) pensions administration activities for the period 1 July 2022 to 30 September 2022.

EQUALITY & DIVERSITY:

Issues of Equality and Diversity are included within the body of the document.

Euan Miller
Managing Director

Portfolio:
Leader of Council and Corporate

Report Contact: Yunus Gajra
Assistant Director (Finance,
Administration and Governance)
Phone: (01274) 432343
E-mail: Yunus.gajra@bradford.gov.uk

Overview & Scrutiny Area: Corporate

1.0 Background

1.1 As well as providing pensions administration for WYPF scheme members, WYPF provides a full administration service to Lincolnshire Pension Fund, the London Borough of Hounslow and more recently the London Borough of Barnet and to twenty three Fire Authorities. This includes pensioner payroll (except for the London Borough of Hounslow), all member and scheme level events, reporting to statutory bodies, provision of data to external bodies such as actuaries, and local authorities for the production of the scheme accounts.

2.0 Performance and Benchmarking

2.1 The table below shows the performance against key areas of work for the period 1 July 2022 to 30 September 2022.

WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIMUM TARGET PERCENT	TARGET MET PERCENT
Age 55 Increase to Pension	3	20	3	85	100
AVC In-house (General)	305	20	299	85	98.03
Change of Address	1431	20	1373	85	95.95
Change of Bank Details	449	20	436	85	97.1
Death Grant to Set Up	209	10	195	85	93.3
Death In Retirement	1008	10	920	85	91.27
Death In Service	34	10	24	85	70.59
Death on Deferred	90	10	70	85	77.78
Deferred Benefits Into Payment Actual	1138	5	1123	90	98.68
Deferred Benefits Into Payment Quote	1532	35	1305	85	85.18
Deferred Benefits Set Up on Leaving	2175	20	1192	85	54.8
Dependant Pension To Set Up	363	5	327	90	90.08
Divorce Quote	164	40	162	85	98.78
Divorce Settlement Pension Sharing order Implemented	8	80	8	100	100
DWP request for Information	19	20	19	85	100
Estimates for Deferred Benefits into Payment	19	10	10	90	52.63
General Payroll Changes	649	20	648	85	99.85
Initial letter Death in Retirement	1008	10	987	85	97.92
Initial Letter Death in Service	34	10	33	85	97.06
Initial letter Death on Deferred	90	10	86	85	95.56
Interfund Linking In Actual	245	35	173	85	70.61
Interfund Linking In Quote	309	35	105	85	33.98
Interfund Out Actual	505	35	319	85	63.17
Interfund Out Quote	505	35	409	85	80.99

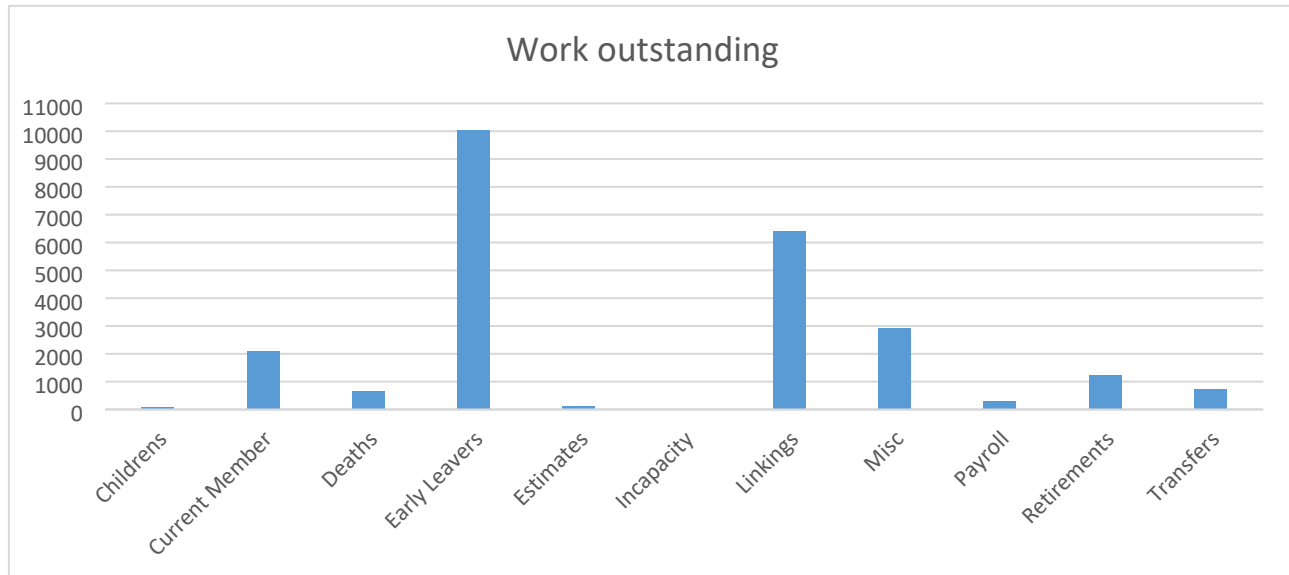
Monthly Posting	2978	10	2833	95	95.13
WORKTYPE	TOTAL CASES	TARGET DAYS FOR EACH CASE	TARGET MET CASES	MINIMUM TARGET PERCENT	TARGET MET PERCENT
NI adjustment to Pension at State Pension Age	76	20	72	85	94.74
Pension Estimate	919	10	523	90	56.91
Pension Saving Statement	675	20	5	100	100
Phone Call Received	9007	3	8645	95	95.98
Refund Actual	542	10	539	90	99.45
Refund Quote	844	35	820	85	97.16
Retirement Actual	1044	10	1039	90	99.52
Transfer In Actual	203	35	189	85	93.1
Transfer In Quote	271	35	271	85	100
Transfer Out Payment	61	35	52	85	85.25
Transfer Out Quote	800	35	764	85	95.5
Update Member Details	2530	20	2519	100	99.57

Reasons for underperforming KPI's:

Work type	Reason
Death In Service	Delay in getting information back from beneficiaries
Death on Deferred	Delay in getting information back from beneficiaries
Deferred Benefits Set Up on Leaving	Historic cases due to valuation. The number of cases processed this period has been higher than previous months.
Estimates for Deferred Benefits into Payment	Estimates requests received with a date of retirement within 3 months were prioritised and all the cases which were done outside of the target days had future dates of retirement.
Interfund Linking In Actual	Backlog of work in this area due to lack of trained staff. The recent recruitment drive will address this but it will take some time to train staff. KPI's will be lower for the coming months as we deal with the backlog cases that are already outside of the KPI's.
Interfund Linking In Quote	Backlog of work in this area due to lack of trained staff. The recent recruitment drive will address this but it will take some time to train staff. KPI's will be lower for the coming months as we deal with the backlog cases that are already outside of the KPI's.
Interfund Out Actual	Backlog of work in this area due to lack of trained staff. The recent recruitment drive will address this but it will take some time to train staff. KPI's will be lower for the coming months as we deal with the backlog cases that are already outside of the KPI's.
Interfund Out Quote	Backlog of work in this area due to lack of trained staff. The recent recruitment drive will address this but it will take some time to train staff. KPI's will be lower for the coming months as we deal with the backlog cases that are already outside of the KPI's.
Pension Estimate	High volume of estimates requests being received as members received their ABS. Estimate requests received with a date of retirement within 3 months have been treated as a priority and future estimates have been processed but there have not been enough experienced staff to check the number of estimates that have been produced. Additional resources are

being put into this area with 2 extra members of staff being trained.

2.2 Work in progress



The above graph shows the total volume of work in progress categorized into work groups. Work volumes will fluctuate depending on how much work comes in and how much work is completed. Some of the larger volume work cover:

Current Member – changes to member records, changes to AVCs, queries from monthly postings

Early Leavers – calculation of refunds, calculation of deferred benefits, contribution postings queries

Linkings – multiple employments where member can link those employments

Misc – All other types of work i.e. phones calls to return, general enquiries.

Retirements - Retirement quotes and actuals, deferred benefits into payment (quote and actual)

3.0 Scheme Information

3.1 Total membership numbers across all categories for all schemes administered is 499,442. A full breakdown between the different Funds and Schemes is shown at Appendix 1.

3.2 Number of Employers in the West Yorkshire Pension Fund

	Actives	Ceased	Total
Scheduled bodies	271	3	268
Admitted bodies	145	5	140
Total	416	8	408

4.0 Praise and Complaints

4.1 As part of our commitment to improving our services we carry out a random survey of customers who have been in contact with us regarding their pension benefits. We also have an online survey which any member can complete at any time.

Over the quarter July to September, we received **2** online customer responses.

Over the July to September **525** sample survey letters were sent out and **87 (16.6%)** returned:

Overall Customer Satisfaction Score:

July to September 2021	October to December 2021	January to March 2022	April to June 2022	July to September 2022
96.3%	86.3%	84%	96.3%	93.2%

Full details are shown at Appendix 2.

5.0 Internal Disputes Resolution Procedures

5.1 All occupational pension schemes are required to operate an IDR. The LGPS has a 2-stage procedure. Stage 1 appeals, which relate to employer decisions or actions, are considered by a person specified by each employer to review decisions (the 'Adjudicator'). Stage 1 appeals relating to appeals against administering authority decisions or actions are considered by the Director of WYPF. Stage 2 appeals are considered by the Chief Executive of the City of Bradford MDC.

A summary of the IDR decisions is shown below:

	Number of Determinations	Outcomes	Type
STAGE 1	3		
		3 Turned down	Distribution of death grant Calculation of pension benefits Lack of information on tier 3 ill health retirement
STAGE 2	4		
AGAINST EMPLOYER	3	1 Referred Back	Not entitled to ill health retirement
		2 Turned down	Transfer in time limit not extended Tier 3 ill health review decision
AGAINST WYPF	1	1 Turned down	Allowed to transfer in

6.0 Administration Update

6.1 Employer events

Event	Number
Employer Webcast	8
Employer Training (one to one)	1
Employer Support	7
Member Presentation	8
Member surgeries / one to one	4

Employer webcasts - Feedback (Repeat and Refresh)

Employers from any part of the country can now attend simultaneously so it is not possible to provide fund specific satisfaction scores.

Eight employer webcasts were held between **5 July and 06 September 2022** covering the following topics:

- Final Pay
- Final Pay - deep dive
- Understanding CPP
- Ill Health

Feedback satisfaction score:
(Average across funds) 94.55% based on 37 responses

Do you have any other comments about the length of the webinar?

The examples we went through a little too fast

Really good and informative. Well explained and easy to understand.

The length of the webcast suited but the only slight hiccup was that during the second part of the session, there was a temporary loss of sound.

The length of the webcast was fine but I would say any future ones should not be longer than 1 hour.

It was perfect to fit in a busy day

short subject however presenter was thorough and precise as always

It was as long as it needed to be. The time flew by as the webcast was extremely interesting.

Did the session meet your expectations?

Yes - 16

No - 0

6.2 Annual Benefit Statements (ABS) and Deferred Benefit Statements (DBS)

This year's statements have been issued electronically. Members have been asked to sign up to the secure 'MyPension' portal to access their statements. However, members who still prefer a paper version will be able to opt out and receive one.

As at 31 August 2022 99.2% of ABS's and 100% of DBS's have been produced for WYPF members who are eligible to receive one. The remaining ABS's are due to queries on records with employers and outstanding transfers and linkings which are being worked on. It is our intention to review the ABS process over the next 12 months to ensure going forward more statements are produced for members.

6.3 Audits undertaken by Bradford Council's Internal Audit in the period:

a) Annual Benefits Statement

It is audit's opinion that the standard of control of identified risks in the system is **excellent**.

The audit review has determined that the identified risks are being effectively managed. The control environment is as expected and supports the achievement of key business objectives.

Internal Audit made **0** recommendations for improvement.

6.4 ISO 9001 Quality Audits

The following internal quality audits were completed by WYPF staff:

Monthly payroll procedures

Transfers out

Any suggestions for improvements to working practices will be analysed by the relevant managers.

6.5 Disaster Recovery

Our first disaster recovery on our new infrastructure was planned and executed. This took down our primary system and WYPF tested operational capability from our secondary site before successfully restoring our primary site. This took approximately 4 hours.

Lessons learnt will be implemented for the next test.

6.6 Staff

Recruitment to staffing in our pensions administration teams is ongoing. Due to the impending retirement of the Treasury Manager a replacement has been appointed as well as an appointment of an investment analyst on the Overseas Investment team.

6.7 Annual Allowance

The LGPS Annual Allowance exercise is now completed as the deadline for issuing a Pensions Savings Statement was 5 October. 85 Pension Saving Statements have been issued to WYPF Pension Fund members.

7.0 Staffing

- 7.1 WYPF headcount is 198 (188 full time equivalent staff) with an average age of 45.9, compared to the Council's average age of 46.7 (see Appendix 3).
- 7.2 For the year ending 1 April 2022 the average number of days absence due to sickness is 7.33 per staff member. This compares with the Council average of 14.56 days (see Appendix 4).
- 7.3 There were 23 new starters during the last 12 months (see Appendix 5)
- 7.4 There were 13 leavers during the last 12 months (see Appendix 6).
- 7.5 A number of recruitment exercises are ongoing to fill vacancies and also for new posts created as a result of increasing workloads.

8.0 Member Portal

8.1 Web Registrations

The number of members registered for online member web are:

Membership Type	Number	Percentage
Active	42,866	39.25%
Deferred	22,397	25.50%
Pensioner	34,135	32.17%

9.0 Conclusion

WYPF continue to provide a high level efficient cost effective service to members and employers within the Fund.

10.0 OTHER CONSIDERATIONS

None

11.0 FINANCIAL & RESOURCE APPRAISAL

Sufficient budget to ensure adequate resources to deliver the service, particularly to the shared service partners.

12.0 RISK MANAGEMENT AND GOVERNANCE ISSUES

- Failure to meet contractual obligations to our shared service partners
- Failure to meet statutory compliance deadlines

- Increase in complaints from stakeholders

13.0 LEGAL APPRAISAL

Not applicable.

14.0 OTHER IMPLICATIONS

14.1 SUSTAINABILITY IMPLICATIONS

None

14.2 GREENHOUSE GAS EMISSIONS IMPACTS

None

14.3 COMMUNITY SAFETY IMPLICATIONS

None

14.4 HUMAN RIGHTS ACT

None.

14.5 TRADE UNION

None

15.0 NOT FOR PUBLICATION DOCUMENTS

None

16.0 OPTIONS

None.

17.0. RECOMMENDATIONS

It is recommended that the report be noted.

18.0 APPENDICES

These are listed below and attached at the back of the report	
Appendix 1	Membership Numbers
Appendix 2	Praise and Complaints
Appendix 3	Workforce Headcount
Appendix 4	Absence Performance
Appendix 5	New Starters
Appendix 6	Leavers

19.0. BACKGROUND DOCUMENTS

None

Membership Numbers

Scheme Name	Actives	Deferreds	Pensioners	Beneficiaries	Preserved Refunds	Leavers options Pending	TOTAL
Councillors	0	84	144	18	0	0	246
Gratuity Payments	0	0	6	0	0	0	6
LGPS	109214	87843	94406	11702	12006	2218	317389
Teachers Compensation	0	0	1090	250	0	0	1340
West Yorkshire Fire (1992 Scheme)	0	83	2010	348	0	0	2441
West Yorkshire Fire (2006 Scheme)	0	90	8	7	2	0	107
West Yorkshire Fire (2006/RDS Scheme)	0	12	39	0	0	0	51
West Yorkshire Fire (2015 Scheme)	1007	145	20	3	1	2	1178
West Yorkshire Fire (2015/RDS Scheme)	21	0	3	0	0	0	24
South Yorkshire Fire (1992 Scheme)	0	41	1105	202	8	0	1356
South Yorkshire Fire (2006 Scheme)	0	34	2	1	1	0	38
South Yorkshire Fire (2006/RDS Scheme)	0	1	14	0	0	0	15
South Yorkshire Fire (2015 Scheme)	634	100	18	1	4	4	761
South Yorkshire Fire (2015/RDS Scheme)	4	1	0	0	0	0	5
North Yorkshire Fire (1992 Scheme)	0	27	440	87	0	1	555
North Yorkshire Fire (2006 Scheme)	0	144	22	2	1	1	170
North Yorkshire Fire (2006/RDS Scheme)	2	23	59	2	0	0	86
North Yorkshire Fire (2015 Scheme)	614	262	25	3	11	12	927
North Yorkshire Fire (2015/RDS Scheme)	34	3	0	0	0	0	37
Humberside Fire (1992 Scheme)	0	40	830	158	0	0	1028
Humberside Fire (2006 Scheme)	0	109	14	2	2	0	127
Humberside Fire (2006/RDS Scheme)	0	5	77	3	0	0	85
Humberside Fire (2015 Scheme)	653	169	17	0	2	7	848
Humberside Fire (2015/RDS Scheme)	46	3	2	0	0	0	51
Lincolnshire Councillors	0	26	52	4	0	0	82
Lincolnshire LGPS	26046	25753	24243	2595	2462	816	81915
Lincolnshire Fire (1992 Scheme)	0	21	260	54	1	0	336
Lincolnshire Fire (2006 Scheme)	0	315	38	6	20	2	381
Lincolnshire Fire (2006/RDS Scheme)	1	11	41	1	0	0	54

Lincolnshire Fire (2015 Scheme)	572	327	16	4	15	68	1002
Lincolnshire Fire (2015/RDS Scheme)	21	1	1	0	0	0	23
Royal Berks Fire (2015/RDS Scheme)	6	1	0	0	0	0	7
Royal Berks Fire (1992 Scheme)	2	55	419	56	2	1	535
Royal Berks Fire (2006 Scheme)	1	61	11	0	0	0	73
Royal Berks Fire (2006/RDS Scheme)	0	11	27	2	0	0	40
Royal Berks Fire (2015 Scheme)	405	124	7	0	1	1	538
Bucks and MK Fire (1992 Scheme)	0	33	358	67	1	0	459
Bucks and MK Fire (2006 Scheme)	0	158	18	10	2	0	188
Bucks and MK Fire (2006/RDS Scheme)	0	11	25	0	0	0	36
Bucks and MK Fire (2015 Scheme)	341	185	12	0	3	26	567
Bucks and MK Fire (2015/RDS Scheme)	3	1	0	0	0	0	4
Devon and Somerset Fire (1992 Scheme)	0	55	920	156	1	0	1132
Devon and Somerset Fire (2006 Scheme)	1	408	139	16	9	1	574
Devon and Somerset Fire (2006/RDS Scheme)	0	71	210	3	0	1	285
Devon and Somerset Fire (2015 Scheme)	1495	671	43	15	8	23	2255
Devon and Somerset Fire (2015/RDS Scheme)	67	7	4	0	0	2	80
Dorset and Wiltshire Fire (1992 Scheme)	0	62	648	98	3	0	811
Dorset and Wiltshire Fire (2006 Scheme)	1	269	40	15	3	0	328
Dorset and Wiltshire Fire (2006/RDS Scheme)	3	47	166	2	0	2	220
Dorset and Wiltshire Fire (2015 Scheme)	870	408	28	2	1	30	1339
Dorset and Wiltshire Fire (2015/RDS Scheme)	87	4	3	0	0	0	94
Unknown Modified Scheme	0	0	1	0	0	0	1
Tyne and Wear Fire (1992 Scheme)	0	68	1230	200	0	0	1498
Tyne and Wear Fire (2006 Scheme)	0	25	5	0	0	0	30
Tyne and Wear Fire (2006/RDS Scheme)	0	1	1	0	0	0	2
Tyne and Wear Fire (2015 Scheme)	585	50	9	0	0	4	648
Tyne and Wear Fire (2015/RDS Scheme)	0	0	1	0	0	0	1
Northumberland Fire (1992 Scheme)	0	17	283	45	0	0	345
Northumberland Fire (2006 Scheme)	1	81	15	7	2	0	106
Northumberland Fire (2006/RDS Scheme)	0	13	33	1	0	0	47
Northumberland Fire (2015 Scheme)	293	128	4	0	0	5	430
Northumberland Fire (2015/RDS Scheme)	7	3	2	0	0	0	12

Norfolk Fire (1992 Scheme)	0	44	382	67	0	0	493
Norfolk Fire (2006 Scheme)	0	102	22	9	0	0	133
Norfolk Fire (2006/RDS Scheme)	1	9	61	0	0	0	71
Norfolk Fire (2015 Scheme)	594	207	21	8	7	10	847
Norfolk Fire (2015/RDS Scheme)	18	1	1	0	0	0	20
Staffordshire Fire (1992 Scheme)	0	25	557	109	0	0	691
Staffordshire Fire (2006 Scheme)	0	310	28	6	2	0	346
Staffordshire Fire (2006/RDS Scheme)	0	33	87	1	0	0	121
Staffordshire Fire (2015 Scheme)	550	349	21	15	15	3	953
Staffordshire Fire (2015/RDS Scheme)	29	3	3	0	0	0	35
LB Hounslow LGPS	6990	7731	7035	886	1382	222	24246
LB Hounslow Teachers Compensation	0	0	133	40	0	0	173
Hereford and Worcester (1992 Scheme)	0	34	390	65	0	0	489
Hereford and Worcester (2006 Scheme)	0	126	30	8	1	0	165
Hereford and Worcester (2006/RDS Scheme)	0	11	42	1	0	0	54
Hereford and Worcester (2015 Scheme)	538	273	17	2	3	11	844
Hereford and Worcester (2015/RDS Scheme)	24	2	0	0	0	1	27
Durham and Darlington (1992 Scheme)	0	28	477	96	0	0	601
Durham and Darlington (2006 Scheme)	0	73	12	0	0	0	85
Durham and Darlington (2006/RDS Scheme)	0	9	28	0	0	0	37
Durham and Darlington (2015 Scheme)	436	159	13	3	0	0	611
Durham and Darlington (2015/RDS Scheme)	9	2	2	0	0	0	13
East Sussex (1992 Scheme)	0	57	516	100	1	0	674
East Sussex (2006 Scheme)	0	125	12	5	3	0	145
East Sussex (2006/RDS Scheme)	0	17	39	0	0	0	56
East Sussex (2015 Scheme)	532	172	14	2	1	60	781
East Sussex (2015/RDS Scheme)	9	2	1	0	0	0	12
LB Barnet Councillors	0	11	16	2	0	0	29
LB Barnet LGPS	9759	9631	8056	1015	1246	800	30507
LB Barnet Teachers Compensation	0	0	356	40	0	0	396
Derbyshire (1992 Scheme)	0	32	608	99	0	0	739
Derbyshire (2006 Scheme)	0	128	20	10	5	0	163
Derbyshire (2006/RDS Scheme)	0	32	67	1	0	0	100

Customer Survey Results – WYPF Members (1st July to 30th September 2022)

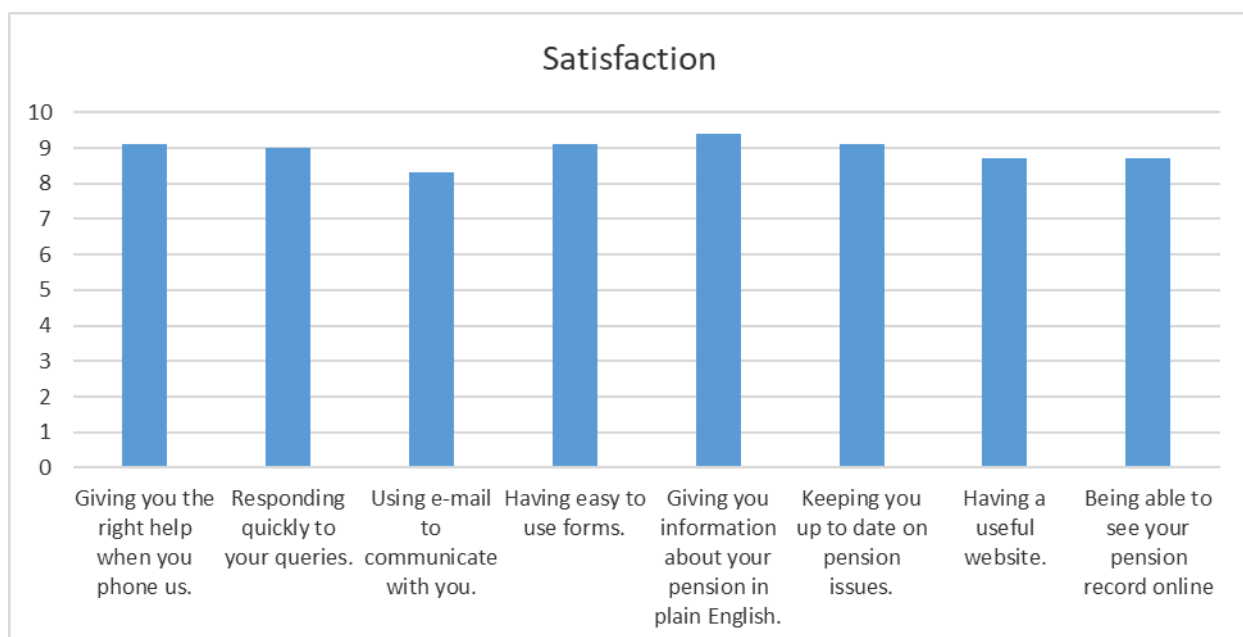
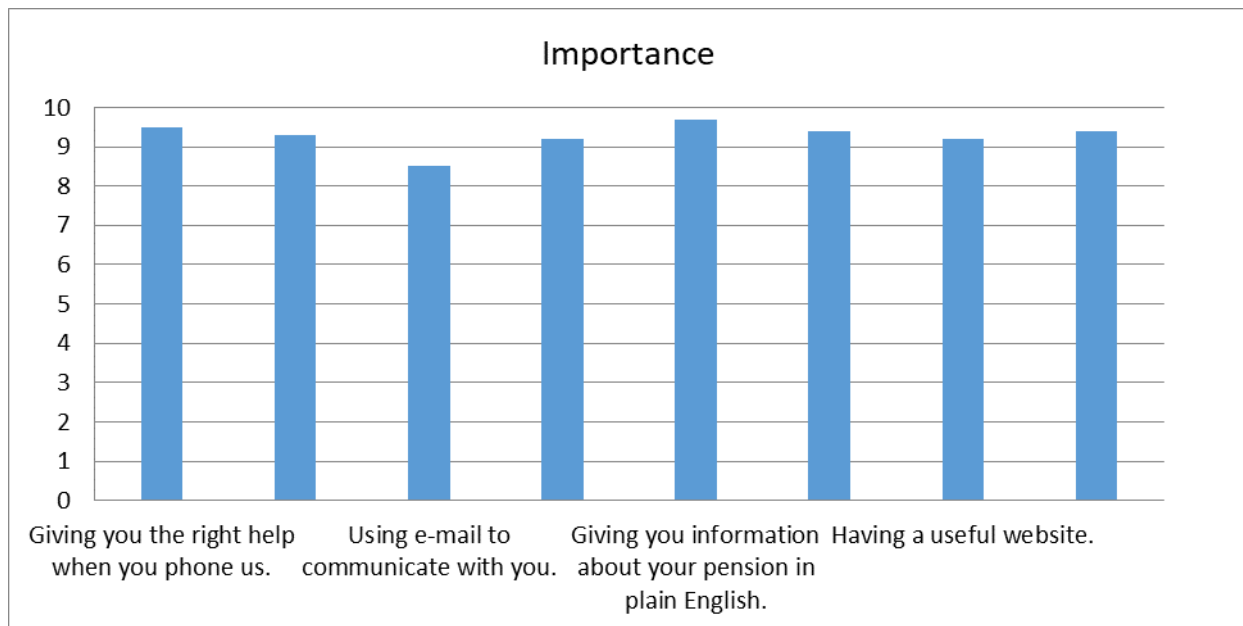
Over the quarter July to September, we received **2** online customer responses.

Over the July to September **525** sample survey letters were sent out and **87 (16.6%)** returned:

Overall Customer Satisfaction Score:

July to September 2021	October to December 2021	January to March 2022	April to June 2022	July to September 2022
96.3%	86.3%	84%	96.3%	93.2%

The charts below give a picture of the customers' overall views about our services;



Sample of positive comments:

Member Name /Number	Comments
Email	<p>Hi XXXX</p> <p>I had a very informative and helpful conversion with one of your colleagues XXXX with regards to some potentially serious changes to my current WYPF.</p> <p>I would just like to give XXX the recognition he deserves when handling this sensitive situation.</p> <p>Regards</p>
	<p>Staff at wy pf was helpful and tried to help me, my main issue was a delay in my AVC pension, wy pf worked hard to sort it out. Trying to get through phone was hard but email was helpful. When matters with AVC sorted, others went quickly.</p>
	<p>The support I received was very useful. The worker I spoke was very supportive and chased up my enquiry and sent out the correct forms.</p>
	<p>Having decided to draw my pension once the form was returned and my money was in account, within 7 days, excellent service. staff has always been helpful when I have rung.my pension sorted very quickly. Would recommend WYPF every one.</p>
	<p>Great service, issues resolved very quickly. easy to read letter communication, issue resolved with no fuss, very quickly, thanks</p>

Complaints/Suggestions:

Member Number	Comments	Summary of Acknowledgement Letter Sent to Member
	<p>Poor, I have phoned many times on my day off all your lines are extremely busy. Customer service is not acceptable, very disappointing, I am sixty this October 2022, yet have not received any support or advice regarding, vitals decisions I can't make because I don't understand key issues.</p>	<p>The following explanation letter was sent by XXXX - Thank you for taking the time to complete and return our customer feedback form.</p> <p>If you would like any help at all our customer service lines are open 8.30 - 5pm Monday to Friday. Our pension officers will be able to help with setting up your online account and talk through any of the pension questions you may have. Alternatively we can call you, we would just need a time, a date to do this along with confirmation of you contact number.</p>
	<p>The experience of transferring the pension was poor. The process of transferring the pension to a new pension pot took over 7 months with a lot of back and forth between pension companies, it seemed to have a long time for each stage to happen and I had to phone you on 3 occasions for</p>	<p>Response sent by XXXX - Member was frustrated at length of time it took to transfer her benefits to Peoples Pension.</p> <p>Timeline provided to member 23/12/21 CETV Request 18/01/22 CETV provided 28/02/22 TVO request from Peoples</p>

	<p>clarification and check the progress.</p>	<p>Pension 07/03/22 Responded with completed forms 07/06/22 (incorrectly) completed forms received from Peoples Pension 21/06/22 query raised with member 30/06/22 member responded 05/07/22 query raised with Peoples Pension 06/07/22 Peoples Pension responded 07/07/22 Payment of transfer to peoples Pension</p> <p>Apologised to member and explained transfers can be lengthy due to duty of care required when checking documentation. Highlighted that WYPF responded to queries within 10 working days, but there were much lengthier delays on the part of Peoples Pension</p>
	<p>Terrible, I asked months ago to transfer my funds to another company to assist with a very stressful time. You have sent numerous amounts of forms to me to sign and I am still waiting for my funds because of your slow service I have lost thousands of pounds on my divorce settlement due to not being able to produce the final figures. You should be ashamed to claim the service you provide.</p>	<p>Response sent by XXXX -The member felt that we had caused delays to their transfer Timeline of transfer provided to member The member requested a divorce CETV 19/01/22 this was provided 28/01/22 Transfer CETV then requested 04/02/22 - provided 23/03/22 guaranteed to 13/06/22 Digitally signed form returned on 07/06/22 - unable to get wet signed forms returned within guarantee date so new CETV required. New CETV and transfer forms provided 25/07/22 25/08/22 completed forms returned and payment made 27/08/22 Apologised to member for the delay in providing the updated CETV, but also highlighted the 11 week delay in returning forms originally.</p>

This page is intentionally left blank

Council Workforce

1 November 2022

Select a Department or Service to filter the information shown

Dept

Chief Executive

Service

West Yorkshire Pension Fund

Council Headcount & True FTE

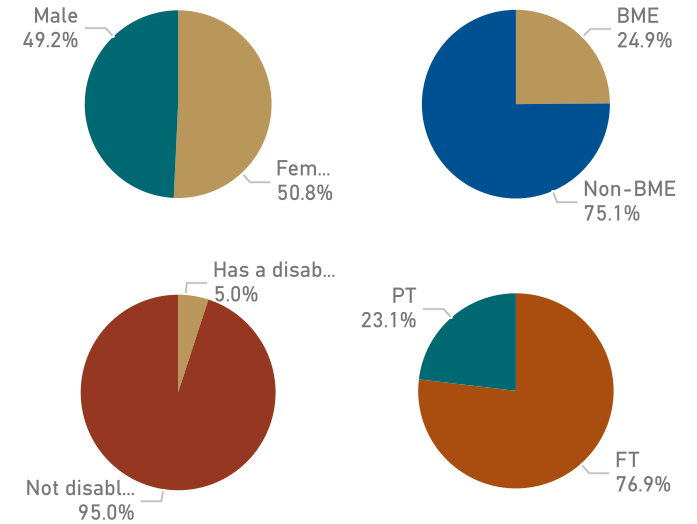


198
Established Employees

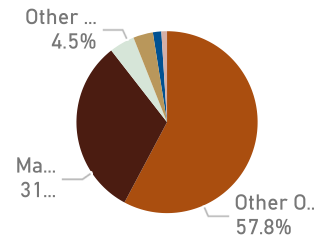
1
Temporary Employees

19
Casual Workers

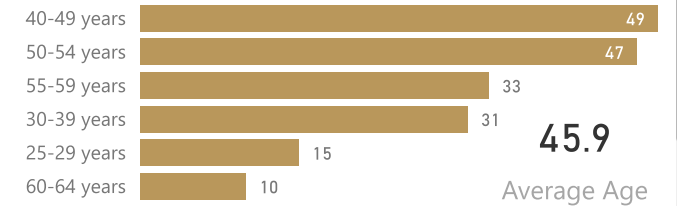
Protected Characteristics



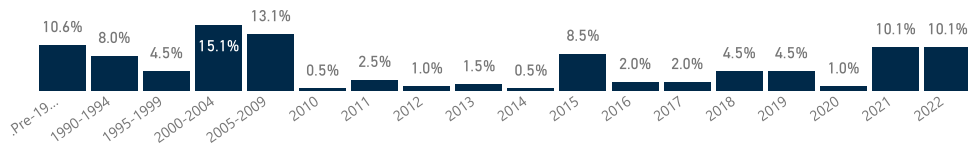
Job Types



Age Bands



Current Employee Start Year



This page is intentionally left blank

Absence Performance

Council staff in 12 month period to 1 April 2022

Select a Department or Category to filter the information shown:

Department

Sickness Category

Chief Executive

All

Department BV12 Sickness Outturns	2019	2020	2021	2022
Chief Exec's & Office of the Chief Exec	5.36	4.87	7.30	16.08
Children's Services	14.03	14.98	12.52	18.03
Corporate Resources	10.32	11.35	9.47	11.01
Health & Wellbeing	15.60	13.37	13.66	16.58
Place	14.06	13.58	9.23	13.98
West Yorkshire Pension Fund	6.14	6.05	5.48	7.33
Council Total (excluding Schools)	13.00	12.96	10.75	14.56

YE Total Sickness

(Blank)

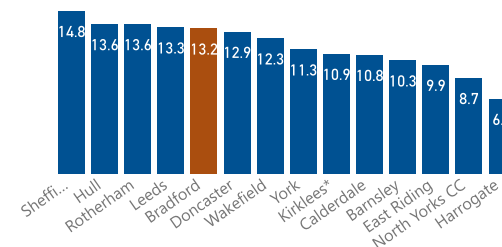
Total FTE Days Lost

YE Total Sickness

£374.2K

Total Sick Pay Cost

BV12 Local Authority Comparison 2021/22

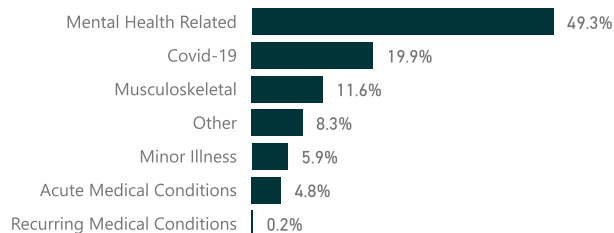


Sickness Category (FTE days) at Year End

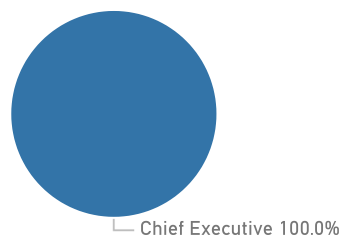
FTE Days by Term at Year End

Sickness Spells Commenced per Month

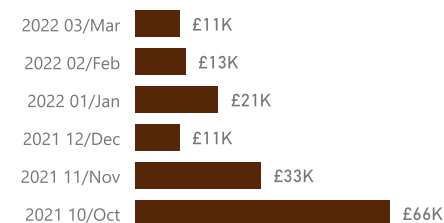
Sick Pay by Category (£) at Year End



Sick Pay Costs Split at Year End



Sick Pay Cost by Month Commenced (£)



This page is intentionally left blank

Starters

1 Nov 2022

Start Date

11/1/2021

10/31/2022

Number of Starters



Select a Department or Service to filter the information shown

Dept

Chief Executive

Service

West Yorkshire Pension Fund

Select an Employee type to filter the information shown (press CTRL key to make multiple selections from a single dropdown)

Age Band

All

BME

All

Disability

All

Employee Group

All

Gender

All

Payscale

All

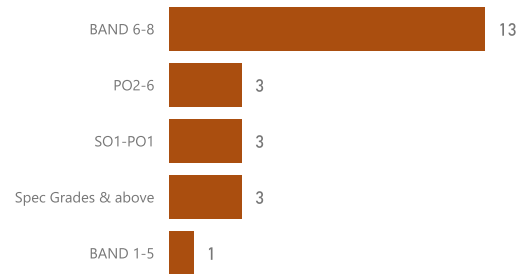
< Show All >

Starter Pay Band

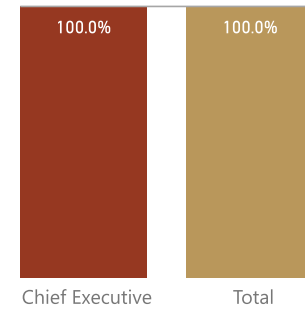
< Gender >

< Ethnicity >

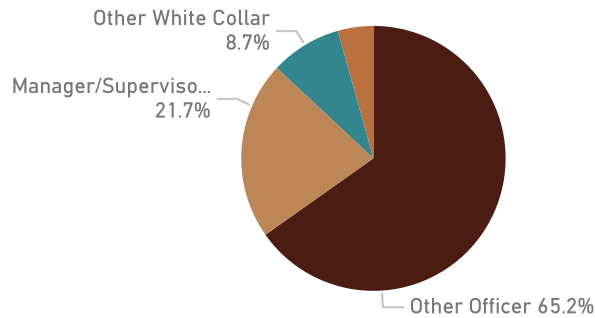
< Disability >



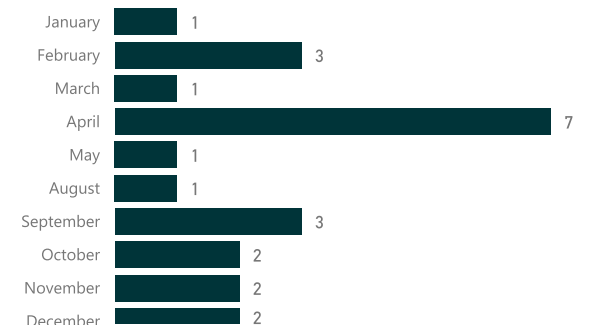
Percentage of Starters



Starter Job Types



Starters Over Time



This page is intentionally left blank

Leavers

1 Nov 2022

Leaving Date

11/1/2021

10/31/2022

Number of Leavers



Select a Department or Service to filter the information shown

Dept

Service

Chief Executive

West Yorkshire Pension Fund

Select an Employee type to filter the information shown (press CTRL key for multiple selections from a single dropdown)

Age Band

BME

Disability

Employee G ...

Gender

Payscale

All

All

All

All

All

All

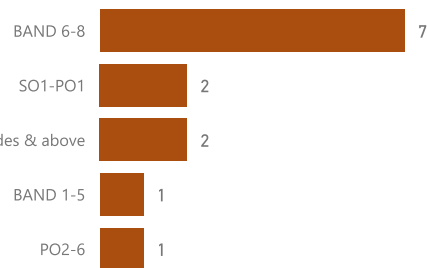
< Show All >

Leavers by Payscale

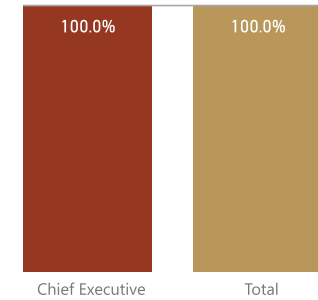
< Gender >

< Ethnicity >

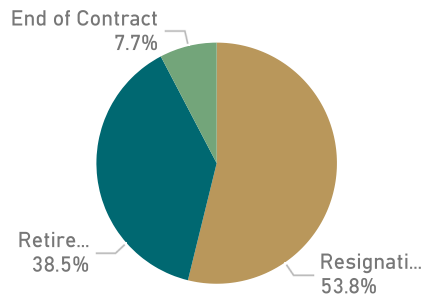
< Disability >



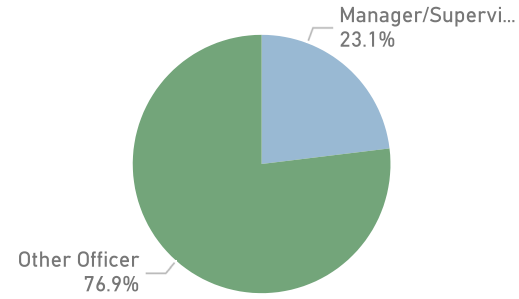
Percentage of Leavers



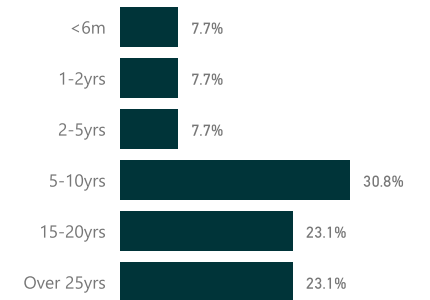
Leaving Reasons



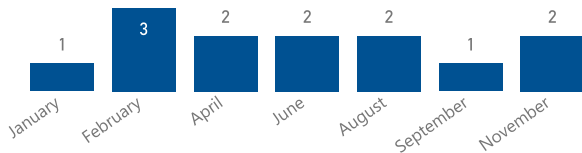
Leaver Job Types



Leaver Length of Service



Leavers Over Time



This page is intentionally left blank



Report of the Managing Director, West Yorkshire Pension Fund, to the meeting of West Yorkshire Pension Fund Pension Board to be held on 13 December 2022.

Y

Subject:

Monthly Data Posting - Phase 3 (MP Phase3)

Summary statement:

This report presents an overview of WYPF Monthly Data Posting System and update on the latest version of the system "MP Phase3". WYPF introduced monthly data posting in April 2014, using a simple, yet comprehensive Microsoft Excel spreadsheet template. The WYPF template allows employers to submit financial data for contribution and pension data together, this is rare in the sector as most pension funds collect admin data separate from financial data. WYPF offers a one-stop data collection each month. This was unique at the time and the strategy was built around data needs of the career average scheme and has evolved since 2014. Two of the efficiency and effectiveness driving factors were to move data posting to pension member records and cash reconciliation from an annual, problematic, project based event to efficient, routine, business as usual monthly activities. We have delivered these two points.

The system developed internally by WYPF, built on basic Civica systems, has proven to be industry leading. WYPF has supported both Civica and the wider LG and Fire public pension sector to develop Monthly Data Posting.

We have tweaked the system over the years and kept it updated regularly. The latest version will bring in a number of change processes that will ensure the Monthly Data Posting system will be fit for purpose going forward and support data needed for pensions dashboard. We are also looking to review our data posting deadline of 10 days, downward to 8 days, depending on the efficiency of the new system.

Euan Miller
Managing Director

Portfolio: Leader of Council and Corporate

Report Contact: Ola Ajala
Financial Controller WYPF
Phone: (01274) 434 534
E-mail: ola.ajala@wypf.org.uk

Overview & Scrutiny Area: Corporate

1 Background

- 1.1 The current MP system was introduced in 2014, based on a forward looking strategy of how best to deliver pension data needed for the 2014 career average scheme and regulatory changes to improve pension account management, moving more toward savings and bank account management. The volume of transaction processed has increased since 2014, in 2014 we processed 5,044 files for 420 employers – 1.2 million member records. In 2021 we processed 10,498 for over 900 – 1.7 million records for LG and Fire shared service partners' files. The service provided has doubled positively and we expect further increase. This system underpins key pension regulatory controls around – contributions, pension data, providing compliance information and risk management data. In order to maintain performance, we need to improve the current system.
- 1.2 The current system has delivered and has allowed WYPF to outperform in a number of regulated activities such as cash management and reconciliation, record maintenance and ABS. The latest “MP Phase3” version will allow WYPF to further improve performance and compliance management for WYPF and employers. Our main focus in this version are:
- a) Efficiency and VFM - removing duplicated processes for employers and increased automation
 - b) Data accuracy - Allowing employers to manage members' core data and supply accurate data
 - c) WYPF performance – 10 days deadline for posting records, explore reducing this to 8 days
 - d) Further improved performance for regulated communications - compliance letters, improved data for managing compliance letters
 - e) Improve data integrity – submissions made by employers will be easier to access by managers and auditors

2 MP Phase3 Progress

- 2.1 MP Phase3 was launched in January 2020, the project was suspended in May 2020, due to the challenges of Covid-19 pandemic. Whilst the project was suspended we introduced a number of reports and additional processes that improved key controls:
- a) Weekly reconciliation of cash received, bank, SAP and UPM
 - b) Daily reports on outstanding contribution payments
 - c) Missing monthly data monitoring
 - d) Increased controls and review processes for posting data to deferred and pensioner records
 - e) Improved unitisation data processes and submission to Aon

2.2 In July 2021 the current MP Phase3 project was relaunched, with the aim of going live in April / May 2022. The project is being developed using internal IT resources, the same strategy was used in the past and has consistently delivered best in class.

2.3 In the past six months significant amount of work has been delivered by WYPF internal teams:

a) Employer secure web portal

A brand new secure web portal has been developed, this portal will allow employers to manage data and make corrections to data submitted. This facility will improve data accuracy, reduce processing time and also allow WYPF to further automate processes.

b) Automatic load to UPM

Currently data submitted via the secure portal is manually loaded to UPM by finance officers, this auto load will save between 1 to 2 days in processing time. The time saved will be used to improve performance.

c) Improved data / record matching rules

100s of data matching rules and sub routines have been recoded and improved. This improved data management, accuracy and efficiency allowing WYPF and employers' staff to focus on exceptions. Basic AI rules to drive data matching. This is speeding up time taken to process data files submitted by employers.

d) Improved file and data tracking

We are seeing improved service performance information, end to end tracking of data from employer submission to WYPF final data posting completion and improved audit trail.

e) New training manuals and workshops

A new training manual is being developed and series of workshop are being setup using MS Teams to support transition to the new system.

3 MP Phase3 – pilot / workshop / demonstrations

3.1 Since October we have been demonstrating the new system to key services within WYPF and employers working with us as pilots. The system has been well received by employers and staff across WYPF. A number of suggestions were made by employers and staff on how the new system could be used to further remove process duplications across WYPF, hence increasing efficiency and reducing current work backlog within WYPF.

4 MP Phase3 cyber testing

4.1 The new system has been fully tested internally and has passed, however before we can go live the system has to be tested by experts for cyber security and system

vulnerabilities. The first test was conducted at the beginning of November 2022, issues identified are now being fixed and follow up tests will be carried out to ensure fixes do not introduce new cyber security vulnerabilities.

- 4.2 99% of the internal testing has been completed and once cyber testing is completed we will be ready to go live.

5 New live date for MP Phase3 – 19 January 2023.

- 5.1 As a result of the extensive cyber testing we are working to a revised live date of 19 January 2023.

- 5.2 As we go live the current MP Phase2 will be running parallel with the new MP Phase3. In order to manage employers experience, employers will be transferred to the new platform in waves and by invitation. This will allow us to check member data recorded against each employer, and bring employers data change requests up to date to ensure the new system delivers improved data accuracy and experience for employers and WYPF.

- 5.3 Between October and November WYPF Finance and Contact Centre have worked together to reduce backlog of member data change request from 5,600 to 2,400. Staff are now focusing processing all data change requests for employers in the pilot scheme. We are also investigating popular requests from employers and staff to use MP Phase3 to manage out this activity.

6 MP Phase3 continuous improvement.

The Monthly Data Posting system has always operated on a continuous improvement strategy, by constant tweaking of processes and procedures. With the support of the WYPF IT Team, the whole system is now being supported with IT agile strategies and a test system is now available that will allow whole system continuous improvements to be delivered without new stop-start developments.

7 OTHER CONSIDERATIONS

None. The new system is being developed using internal resources.

8 FINANCIAL & RESOURCE APPRAISAL

It is estimated that this system has delivered about £3m efficiencies and savings over the 7 to 8 years of operation and if we were to buy-in an equivalent, which may not be as robust, it could have cost an extra £50k per year.

9 RISK MANAGEMENT AND GOVERNANCE ISSUES

The monthly data posting system is a major risk and operational management tool, needed for cash management, data accuracy and employers' governance. The system assures our strong performance on a number of regulatory performance requirements.

10 LEGAL APPRAISAL

None.

10.1 SUSTAINABILITY IMPLICATIONS

The services covered in this report are committed to mitigating climate change by using energy efficient supplies and services, avoiding waste and where not possible, minimise waste. Reuse materials and where facilities are available, recycle office waste.

10.2 GREENHOUSE GAS EMISSIONS IMPACTS

WYPF operates from a modern “Aldermanbury House”, the building was bought in 2014 and we have invested significant sums to improve the energy efficiency of the building, however there is still more to do. We are working with our property managers to further improve the energy efficiency of the building for staff, visitors and our commercial tenants. Electricity supplied to the building is sourced from renewable suppliers and there is a programme to review water boilers and other equipment in the building.

In terms of our operations a significant number of our staff have always been able to work from home before the Covid-19 pandemic. At the start of the pandemic all staff that want to work from home were able to work from home and we are now operating a hybrid model of 2 days office and 3 days home working. This has reduced our staff daily journeys into work and also reduced our operational greenhouse gas emissions significantly. When on business travel our staff are encouraged to use public transport, unless lower greenhouse gas emission alternatives are available.

10.3 COMMUNITY SAFETY IMPLICATIONS

None.

10.4 HUMAN RIGHTS ACT

None.

10.5 TRADE UNION

The services covered by this report will provide additional employment and apprenticeship opportunities within the local area.

10.6 WARD IMPLICATIONS

None.

10.7 IMPLICATIONS FOR CORPORATE PARENTING

None.

10.8 ISSUES ARISING FROM PRIVACY IMPACT ASSESSMENT

None.

11 NOT FOR PUBLICATION DOCUMENTS

None

12 OPTIONS

The Local Pension Board should note the report or may make recommendations to management on any part of the report.

13 RECOMMENDATION

That this report be noted and suggestions made for any improvements to the Monthly Data Posting System.

14 APPENDICES

None

15 BACKGROUND DOCUMENTS

None



Report of the Managing Director, West Yorkshire Pension Fund to the meeting of Local Pension Board to be held on 13 December 2022.

Z

Subject: McCloud

Summary statement:

In July 2020 the government released a long awaited consultation on applying the remedy to address the age discrimination inherent in the transitional protections that were adopted by public service schemes in 2014.

EQUALITY & DIVERSITY:

None

Euan Miller
Managing Director

Portfolio:
Leader of Council and Corporate

Report Contact: Caroline Blackburn
Head of Employers Service and
Compliance
Phone: 07790353179
E-mail: caroline.blackburn@wypf.org.uk

Overview & Scrutiny Area: Corporate

1. SUMMARY

- 1.1 In July 2020 the government released a long awaited consultation on applying the remedy to address the age discrimination inherent in the transitional protections that were adopted by public service schemes in 2014.

2. BACKGROUND

- 2.1 In April 2014 a series of changes were made to the LGPS to reform the scheme's benefits structure. These changes were implemented as part of a wider project across Government to reform public service pensions, and put them on a more sustainable, affordable and fairer footing for the longer term.
- 2.2 In the LGPS these changes included:
- Moving benefits from a final salary to a career average basis, and
 - Linking members' normal pension age with their State Pension Age.
- 2.3 Transitional protections for members nearing retirement were implemented to ensure older workers would not be any worse off as a result of the reforms.
- 2.4 In the McCloud and Sargent court cases the Court of Appeal found these transitional protections directly discriminated against younger members. As a result, the Ministry of Housing, Communities and Local Government (MHCLG) consulted on amendments to the statutory underpin, to reflect the Court's findings, by extending the underpin to younger members.

3. MHCLG Consultation

- 3.1 MHCLG (now Department of Levelling up, Housing and Communities- DLUHC) undertook a 12-week public consultation on proposals amending the LGPS regulations to remove the unlawful age discrimination that arose from the protections associated with the introduction of the 2014 scheme reforms which were successfully challenged in the McCloud case. This consultation closed on 8 October 2020.
- 3.2 On 13 May 2021 Luke Hall, the Local Government Minister, made a written statement on McCloud and the LGPS. The statement confirms the key changes to scheme regulations that will be made to remove age discrimination from the LGPS.
- 3.3 On 19 July 2021 HM Treasury formally introduced to Parliament the Public Service Pensions and Judicial Offices Bill, which makes provision to rectify the unlawful age discrimination identified by the McCloud judgment.
- 3.4 For the LGPS, Chapter 3 of Part 1 confirms which members will be in scope and what service is 'remediable'. Enabling legislation will allow for scheme regulations to be changed to implement the McCloud remedy.

- 3.5 On 10 March 2022, the Public Service Pensions and Judicial Offices Act 2022 received Royal Assent. The main purpose of the Act is to give the relevant government departments the regulatory powers to resolve the discrimination identified in the McCloud judgment.
- 3.6 The long awaited DLUHC response to the 12-week consultation in 2020 was expected before summer recess in July 2022, however that was not received and is now expected towards the end of the year with draft regulations issued shortly afterwards.
- 3.7 The regulations will come into force by 1 October 2023 at the latest, however we do know that the regulations will be retrospective, and that the remedy period has already ended, meaning that the remedy will cover the period 1 April 2014 to 31 March 2022 (in England and Wales).

4. Underpin

- 4.1 Key Elements of the changes that will be made to the LGPS regulations are:
- Underpin protection will apply to LGPS members who meet the revised qualifying criteria, principally that they were active in the scheme on 31st March 2012 and subsequently had membership of the career average scheme without a continuous break in service of more than five years.
 - The period of protection will apply from 1st April 2014 to 31st March 2022 but will cease earlier where a member leaves active membership or reaches their final salary scheme normal retirement age (normally 65) before 31st March 2022.
 - Where a member stays in active membership beyond 31st March 2022, the comparison of their benefits will be based on their final salary when they leave the LGPS, or when they reach their final salary scheme normal retirement age, if earlier.
 - Underpin protection will apply to qualifying members who leave active membership of the LGPS with an immediate or deferred entitlement to a pension.
 - A 'two stage process' will apply for assessing the underpin so that, where there is a gap between a member's last day of active membership and the date they take their pension, members can be assured they are getting the higher benefit.
 - Scheme regulations giving effect to the above changes will be retrospective to 1st April 2014.

5. Data Collection

- 5.1 The anticipated changes require the Fund to collect additional data from employers in respect of part time hours and breaks in service for the period 1 April 2014 to 31 March 2022. This additional data will enable the final salary underpin to be calculated. The Fund has undertaken an exercise to notify all employers with members who may be effected by the McCloud underpin calculation of the information we currently hold on our records and employers were asked to let the Fund know of any missing data.
- 5.2 Work has commenced on uploading this data on to the test system and the errors and warnings produced are being reviewed. It is anticipated that all data will have been uploaded onto the pensions administration system before the regulations

come into effect.

6. FINANCIAL & RESOURCE APPRAISAL

None

7. RISK MANAGEMENT AND GOVERNANCE ISSUES

None.

8. LEGAL APPRAISAL

None

9. OTHER IMPLICATIONS

9.1 SUSTAINABILITY IMPLICATIONS

None

9.2 GREENHOUSE GAS EMISSIONS IMPACTS

None.

9.3 COMMUNITY SAFETY IMPLICATIONS

None

9.4 HUMAN RIGHTS ACT

None

9.5 TRADE UNION

None

9.6 WARD IMPLICATIONS

None

**9.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

None.

9.8 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

None

9.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

10. NOT FOR PUBLICATION DOCUMENTS

None

11. OPTIONS

None

12. RECOMMENDATIONS

- It is recommended that the Local Pension Board note this update.

This page is intentionally left blank



Report of the Managing Director, West Yorkshire Pension Fund to the meeting of Local Pension Board to be held on 13 December 2022.

AA

Subject: 2022 Actuarial Valuation

Summary statement:

The triennial actuarial valuation of the Fund will be prepared based on the situation at 31 March 2022, and will determine the level of employers' contributions from April 2023 onwards.

EQUALITY & DIVERSITY: None

Euan Miller
Managing Director

Portfolio: Leader of Council and Corporate

Report Contact: Caroline Blackburn
Head of Employer Services and
Compliance
Phone: 07790353179
E-mail: caroline.blackburn@wypr.org.uk

Overview & Scrutiny Area: Corporate

1. SUMMARY

This report provides the Local Pension Board with an update of the work undertaken to date on the 2022 Actuarial Valuation and the next steps.

2. BACKGROUND

- 2.1 In accordance with the Local Government Pension Scheme Regulations the Fund is subject to an actuarial valuation by its appointed consulting actuary at 31 March 2022.
- 2.2 The main aims of carrying out an actuarial valuation of the Fund are to:
 - Review the financial position of the fund,
 - Determine the employer's contribution rates; and
 - Ensure that the legal requirements in relation to the actuarial valuation are met.
- 2.3 The Fund is working with the Fund's Actuary to try and ensure, wherever possible, any changes to employer's contributions are minimal, to enable accurate budgeting and affordability by employers. This is consistent with the Regulations, which specify that the actuary must have regard to the desirability of maintaining as nearly constant a common rate as possible.

3. PROGRESS

- 3.1 The Terms of Reference for the Actuarial Valuation at 31 March 2022 were agreed with the Funds Actuary in early 2022.
- 3.2 The Actuary has completed the longevity analysis for the Fund, using data and experience from the last 5 years. This analysis indicates that there has been a slowdown in longevity improvements since the last valuation and this was taken into account when agreeing the final demographic assumptions (this included the results of the recent pandemic).
- 3.3 Data extracts for Actives, Deferred, Pensioners, Preserved Refunds and Dependants records were supplied to the Actuary in June 2022.
- 3.4 The Fund received the initial whole of Fund results in September and a meeting was held with the Fund's Actuary and a Joint Advisory Group sub group where initial assumptions, principals and approaches were agreed.
- 3.5 A consultation exercise has been launched with employers and members of Joint Advisory Group, Panel and Pension Board members on updates to the Funding Strategy Statement which reflect the principals and approaches it proposes to take. The consultation closes on 31 December and the outcome of the consultation will be presented to the Joint Advisory Group meeting in January.
- 3.6 Employer contributions results schedules have started to be distributed to employers and it is anticipated that this exercise will be completed before Christmas.

4. Next Steps

- 4.1 The Fund will continue to distribute the results schedules and where appropriate meet with employers to discuss their funding positions, and employer contributions required.
- 4.2 The Funds Actuary has been invited to provide a training session in early January 2023 for all Joint Advisory Group, Panel and Pension Board members to recap on some of the training provided in January 2022 (in terms of what a valuation is and what it aims to achieve) and also focus on the strategic decisions for the 2022 valuation and the results at whole of fund level.
- 4.3 The consultation on the principals and approaches for the 2022 Valuation as detailed in the Funding Strategy Statement will close at the end of December and the results will be taken to the Joint Advisory Group meeting to be held in January.
- 4.4 The final Valuation report and Rates and Adjustment certificate will be completed by the Fund's Actuary before the 31 March 2023 deadline.
- 4.5 The new employers' contribution rates will come into effect from 1 April 2023.
- 4.6 During late summer (timetable has yet to be agreed) information will be provided to Government Actuary Department (GAD) to enable them to complete the Section 13 review on the 2022 Valuation.

5. OTHER CONSIDERATIONS

None

6. FINANCIAL & RESOURCE APPRAISAL

None

7. RISK MANAGEMENT AND GOVERNANCE ISSUES

None

8. LEGAL APPRAISAL

None

9. OTHER IMPLICATIONS

9.1 SUSTAINABILITY IMPLICATIONS

None

9.2 GREENHOUSE GAS EMISSIONS IMPACTS

None

9.3 COMMUNITY SAFETY IMPLICATIONS

None

9.4 HUMAN RIGHTS ACT

None.

9.5 TRADE UNION

None

9.6 WARD IMPLICATIONS

None.

**9.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

None.

9.8 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

None

9.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

10. NOT FOR PUBLICATION DOCUMENTS

None.

11. OPTIONS

N/A

12. RECOMMENDATIONS

The Local Pension Board note this report



Report of the Director, West Yorkshire Pension Fund, to the meeting of West Yorkshire Pension Fund Pension Board to be held on 13 December 2022

AB

Subject: Training

Summary statement:

The role of The Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Council as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) including securing compliance with the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS; securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and any other such matters as the LGPS Regulations may specify.

To be able to assist the Scheme Manager and meet the requirements of the Public Service Pensions Act 2013, Pension Board Members must be able to demonstrate suitable knowledge and skills of the LGPS to effectively scrutinise the decisions made by officers.

As such, undertaking regular training in order to acquire and maintain the relevant level of knowledge and understanding is very important. Details of training courses, conferences and seminars listed may assist Board Members.

EQUALITY & DIVERSITY:

Not Applicable

Euan Miller
Managing Director

Portfolio Leader of Council & Corporate

Report Contact Matt Mott
Phone: 07815 476877
Email: matthew.mott@wypf.org.uk

Overview & Scrutiny Area: Corporate

1. Training

- 1.1 Members of the Board, JAG and the Investment Advisory Panel were asked to complete an online knowledge assessment questionnaire produced by Hymans. The results of this assessment will help identify training requirements for Board members.
- 1.2 On receipt of the results, the Fund will develop a training plan to ensure these training requirements are met. Going forward, training undertaken during the year will be published in the Annual Report or the Governance Compliance Statement.
- 1.3 This will satisfy legislative requirements that Board members must have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions. The knowledge and understanding framework can be found on WYPF's website: [Knowledge and understanding \(wypf.org.uk\)](http://www.wypf.org.uk/knowledge-and-understanding)

2. TPR Public Sector Toolkit

The Trustee toolkit is aimed specifically at Trustees of Occupational Pension Schemes. The Public Service Online Toolkit is aimed specifically at Public Service schemes including the LGPS and includes a series of online learning modules and downloadable resources developed to help Board Members meet the minimum required level of knowledge and understanding as defined by the Public Service Pensions Act 2013. <https://trusteetoolkit.thepensionsregulator.gov.uk/>

All Pension Board members should complete the Pension Regulators toolkit training. Once completed a copy of the completion certificate should be given to the Governance and New Business Manager.

The mandatory training includes modules across a range of pension topics including;

- Conflicts of Interest
- Maintaining Accurate Member Data
- Providing Information to Members and Others
- Reporting Breaches of the Law
- Managing Risk and Internal Controls
- Maintaining Member Controls
- Resolving Internal Disputes

Each module takes approximately 30 to 60 minutes to complete and Board Members are requested to complete a minimum of two modules prior to each Board meeting until all modules are completed.

TPR Regularly updates the content and may amend or add additional modules for Trustees. WYPF is considering signing up to the TPR transfer pledge, as discussed

at Board meetings on 22 March 2022 and 28 June 2022, and to do so all Board Members are required to have completed the TPR Pension Scams Module.

Hymans Robertson Online Learning Academy

Hymans Robertson have produced an online training centre specifically for the LGPS aimed at Local Pension Board Members, pension committees and scheme practitioners.

The Learning Academy aids the knowledge and skills required of Board Members to fulfil their statutory duties and has 6 tutorials which include presentations, a glossary and question and answers. It can also be used as a record of all other training achievements and events attended.

Each module takes approximately 30 to 60 minutes to complete and Board Members are requested to complete a minimum of two modules prior to each Board meeting until all modules are completed.

To access your learning please go to <https://aspire.hymanslearning.co.uk/>

There is a "How to" User Guide that will help you navigate through the system and can be found here "How to" User Guide

Please contact Matt Mott or Aspire.Hymans Aspire.Hymans@hymans.co.uk if you have any questions.

LGA Fundamentals training programme 2022

Fundamentals is a bespoke three-day training course aimed at elected members and others who attend pension committees/panels and local pension boards. Past delegates include elected members, trade union representatives, member and employer representatives, as well as a variety of officers who attend/support committees and some private sector organisations who provide services to administering authorities. The course provides a scheme overview and covers current issues in relation to administration, investments and governance of the LGPS.

Attending all three days will assist delegates in meeting the relevant requirement for knowledge, skills and understanding either required in statute or encouraged by relevant guidance.

Each day has a different theme and will include sessions delivered by experts in their field. The event also provides delegates with valuable networking opportunities. Each day's programme will start at 10am, with registration and coffee from 9:30am, and close by 4pm with refreshments and lunch provided. Full details can be found here.

The training will take place in two locations, London and Birmingham. LGA are also offering online only sessions, so delegates will have the choice of attending in person or virtually.

PLSA Annual Conference

The PLSA conference is held annually each October, alternating between Liverpool and Manchester each year. The agenda attempts to cover a wide range of relevant topics spanning governance, administration, investment and engaging savers.

LGA Annual Governance Conference

The annual conference retains its popular lunchtime to lunchtime format. It will start on Thursday 19 January and end on Friday 20 January 2023 and will take place in Cardiff. The programme is currently being finalised and further details will be provided late in the year.

Training at Board Meetings

It is the intention of WYPF to provide additional training as part of the Board Meetings. These may be planned topics to support the existing training, current “hot” topics, or training presented prior to a discussion of a particular report. Training topics may also be at the suggestion of the Board or a Board Member.

Where additional training is not provided as part of the Board Meetings there may be an update or summary of training completed to date and events attended by Board Members.

LGA circulars and bulletins

- Members can also make use of the LGA website where circulars, bulletins and updates are published on a regular basis.
- <http://www.lgpsregs.org/index.php>

Scheme Advisory Board website

- Members can find lots of useful information on the Scheme Advisory Boards website
- <https://www.lgpsboard.org/>

3. OTHER CONSIDERATIONS

None

4. FINANCIAL & RESOURCE APPRAISAL

None

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

Failure to complete training may mean that members cannot demonstrate suitable knowledge and skills. As a result, they may not satisfy the requirements of the Public Service Pensions Act 2013.

6. LEGAL APPRAISAL

None

7. OTHER IMPLICATIONS

None

7.1 SUSTAINABILITY IMPLICATIONS

None

7.2 GREENHOUSE GAS EMISSIONS IMPACT

None

7.3 COMMUNITY SAFETY IMPLICATIONS

None

7.4 HUMAN RIGHTS ACT

None

7.5 TRADE UNION

None

7.6 WARD IMPLICATIONS

None

**7.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS
(for reports to Area Committees only)**

None

7.8 IMPLICATIONS FOR CORPORATE PARENTING

None

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESSMENT

None

8. NOT FOR PUBLICATION DOCUMENTS

None

9. OPTIONS

None

10 Recommendation

10.1 It is recommended that Members of the Local Pension Board undertake the TPR Toolkit online training and the Hymans Robertson online Learning Academy Training and in doing so meet the requirements defined by the Public Service Pensions Act 2013.

10.2 Board Members should also attend external training events and conferences provided by PLSA, LGA & actuaries and attend.

11. Appendices

None