

Agenda for a meeting of the West Yorkshire Pension Fund Pension Board to be held on Tuesday, 21 March 2023 at 11.00 am or at the rising of the earlier meeting of the Board in Aldermanbury House, Godwin Street, Bradford

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

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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:
<i>Disclosable Pecuniary Interests</i>	<i>Disclose the interest; not participate in the discussion or vote; and leave the meeting <u>unless</u> you have a dispensation.</i>
<i>Other Registrable Interests (Directly Related)</i> OR <i>Non-Registrable Interests (Directly Related)</i>	<i>Disclose the interest; speak on the item <u>only</u> if the public are also allowed to speak but otherwise not participate in the discussion or vote; and leave the meeting <u>unless</u> you have a dispensation.</i>
<i>Other Registrable Interests (Affects)</i> OR <i>Non-Registrable Interests (Affects)</i>	<i>Disclose the interest; remain in the meeting, participate and vote <u>unless</u> the matter affects the financial interest or well-being</i> <i>(a) to a greater extent than it affects the financial interests of a majority of inhabitants of the affected ward, and</i> <i>(b) a reasonable member of the public knowing all the facts would</i>

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. 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

3. DRAFT MINUTES OF THE WEST YORKSHIRE PENSION FUND (WYPF) JOINT ADVISORY GROUP HELD ON 26 JANUARY 2023

1 - 12

The Council's Financial Regulations require the minutes of meeting of the WYPF Joint Advisory Group to be submitted to this committee.

The report of the Managing Director, West Yorkshire Pension Fund, (**Document “AC”**) presents the draft minutes of the meeting held on 26 January 2023 to enable the Board to ensure effective and efficient governance and administration of the LGPS.

Recommended –

That Members review the minutes of the WYPF Joint Advisory Group held on 26 January 2023.

(Euan Miller– 01274 434517)

4. REGISTER OF BREACHES

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The Managing Director, West Yorkshire Pension Fund, will present a report (**Document “AD”**) 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 “AD”.

Recommended –

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

(Caroline Blackburn – 01274 434523)

5. LOCAL GOVERNMENT PENSION SCHEME UPDATE

23 - 32

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

Recommended –

That the report be noted.

(Tracy Weaver -01274 433571)

6. COMMUNICATIONS POLICY AND PENSION ADMINISTRATION STRATEGY 33 - 60

The Managing Director, West Yorkshire Pension Fund, will present a report, **Document “AF”** which explains that, in compliance with the LGPS Regulations 2013, WYPF prepare a written statement of the authority’s policies in relation to such matters as it considers appropriate in relation to procedures for liaison and communication with scheme employers and the levels of performance which the employers and WYPF are expected to achieve.

The Pensions Administration Strategy and Communications Policy were approved by JAG at their last meeting in January 2023.

The Pensions Administration Strategy has not required any update. The Communications Policy has been updated to reflect activities planned for 2023

Recommended –

That the Pension Administration Strategy and the Communications Policy 2023 be approved.

(Yunus Gajra – 01274 432343)

7. PENSION ADMINISTRATION REPORT 61 - 84

The Managing Director, West Yorkshire Pension Fund, will present a report (**Document “AG”**) which provides an update on West Yorkshire Pension Fund’s (WYPF) pensions administration activities for the period 1 October 2022 to 31 December 2022.

Recommended –

That the report be noted.

(Yunus Gajra – 01274 432343)

8. RISK MANAGEMENT 85 - 136

The report of the Managing Director, West Yorkshire Pension Board (**Document “AH”**) presents West Yorkshire Pension Fund’s Risk Policy and Strategy.

Members are advised that the purpose of the Policy and Strategy is to effectively mitigate risks which may otherwise impact on WYPF meeting its statutory responsibilities and strategic objectives. This is achieved by the development and maintenance of a comprehensive

risk register. For each risk identified its likelihood of occurrence and materiality is considered and actions are identified in order to mitigate the risk.

The Risk Policy and Strategy is subject to regular review by the WYPF Investment Advisory Panel (IAP) and Joint Advisory Group (JAG).

Recommended –

That Members note the report and provide any comments they may have on the risk Policy and Strategy and any of the risks set out in the risk register.

(Yunus Gajra – 01274 432343)

9. **ACTUARIAL VALUATION 2022**

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The Managing Director, West Yorkshire Pension Fund will present **(Document “AI”)** which reports that the triennial actuarial valuation of the West Yorkshire Pension Fund (WYPF) is being prepared based on the position at 31 March 2022, and will determine the level of employers’ contributions for the period 1 April 2023 to 31 March 2026.

If the draft Funding Strategy Statement is approved, the indications are that WYPF will be 108.5% funded, compared to the situation at 31 March 2019 when it was 106% funded.

As a result, each of the five district councils will see a slight reduction in their employer contributions.

Recommended –

That the report be noted.

(Caroline Blackburn – 07790353179)

10. **FUNDING STRATEGY STATEMENT**

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Consultation on updates to West Yorkshire Pension Fund Funding Strategy Statement (FSS)

The report of the Managing Director, West Yorkshire Pension Fund, **(Document “AJ”)** reports that WYPF must maintain a Funding Strategy Statement (FSS) in accordance with the Local Government Pension Scheme Regulations 2013. It must keep the statement under review and, after consultation with such persons as it considers appropriate, make such revisions as are appropriate following a material change in its policy

The Administering Authority undertook a consultation exercise with all stakeholders on updates to the Funding Strategy Statement which reflect the principles and approaches it intends to take as part of the

2022 valuation exercise.

Recommended –

That the report be noted.

(Caroline Blackburn – 07790353179)

11. PENSIONS DASHBOARD

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The report of The Director, West Yorkshire Pension Fund (**Document “AK”**) will be submitted which provides an update on the progress of the introduction of the Pensions Dashboard.

Recommended –

That the report be noted.

(Elizabeth Boardall – 01274 432343)

12. LGPS ONLINE LEARNING ACADEMY AND TRAINING UPDATES

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Members will be aware that there is a growing need for LGPS funds to demonstrate that pension committee and local pension board members ('Members') have an adequate level of knowledge to carry out their roles effectively. With the introduction of a refreshed CIPFA Knowledge & Skills Framework, the Scheme Advisory Board's Good Governance project (England and Wales), and increasing scrutiny from The Pensions Regulator (TPR), the expectation on funds has never been greater.

The Managing Director, West Yorkshire Pension Fund, will provide a report, (**Document “AL”**) which details training and conferences to assist Members in meeting their training requirements.

Members of the Joint Advisory Group, Investment Advisory Panel and Local Pensions Board recently completed Hymans Robertson's LGPS National Knowledge Assessment (NKA), which is designed to highlight potential gaps in Members' knowledge and help LGPS funds construct effective training plans. WYPF's NKA report is attached as Appendix A to Document AL.

Officers will also make a presentation relating to the 'CARE' revaluation training

Recommended –

- 1. That Members undertake the TPR Toolkit online training and the Hymans Robertson online Learning Academy Training.**
- 2. That Members be encouraged to attend external training**

events and conferences provided by PLSA, LGA, Actuaries, and other specialist organisations.

(Yunus Gajra – 01274 432343)

13. CYBER SECURITY

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The report of the Managing Director, West Yorkshire Pension Board (**Document “AM”**) will be submitted to the Board and informs Members of the significant damage to organisations that store financial information and personal identifiable information about individuals from cyber-attacks and measures taken by the fund to become cyber ready to prevent, contain and respond to evolving threats in the digital environment.

Recommended –

That the report be noted.

(Yunus Gajra – 01274 432343)

14. GOVERNANCE REVIEW

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The report of the Managing Director, West Yorkshire Pension Fund, (**Document “AN”**) sets out at a high level, a proposed process for undertaking a WYPF governance review and initial feedback is sought from Pension Board Members.

A similar report was recently presented to JAG and IAP and will be discussed at the forthcoming meeting of the Bradford Council Governance & Audit Committee.

Recommended –

That Members note the report and provide any comments on the outline of the proposed governance review set out in Document “AN”

(Caroline Blackburn – 07790353179)

15. EXCLUSION OF THE PUBLIC

Members are asked to consider if the **Not for Publication** Appendices to **Document “AO”** relating to the West Yorkshire Pension Fund Investment Advisory Panel should be considered in the absence of the public and, if so, to approve the following recommendation: -

Recommended –

That the public be excluded from the meeting during consideration of the Not for Publication Appendix to Document “AO” relating to the minutes of a West Yorkshire Pension Fund

Investment Advisory Panel meeting held on 27 October 2022 and 26 January 2023 because information would be disclosed which is considered to be exempt information within paragraph 3 (Financial or Business Affairs) of Schedule 12A of the Local Government Act 1972 (as amended).

It is considered that, in all the circumstances, the public interest in maintaining this exemption outweighs the public interest in disclosing this information as it is in the overriding interest of proper administration that Members are made aware of the financial implications of any decision without prejudicing the financial position of the West Yorkshire Pension Fund.

- 16. MINUTES OF THE WEST YORKSHIRE PENSION FUND (WYPF) INVESTMENT ADVISORY PANEL HELD ON 27 OCTOBER 2022 AND 26 JANUARY 2023** 261 -
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The report of the Director, West Yorkshire Pension Fund (**Document “AO”**) containing **Not for Publication appendices 1 & 2** will be submitted to the Board and 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 Minutes of meeting of WYPF Investment Advisory Panel are submitted to the Pension Board to enable the Board to ensure effective and efficient governance and administration of the LGPS.

Recommended –

That the Board reviews the Not for Publication minutes/notes from the WYPF IAP meeting held on 27 October 2022 and 26 January 2023, appended to Document “AO”.

(Euan Miller– 01274 434517)