

Minutes of a meeting of the West Yorkshire Pension Fund Pension Board held on Tuesday, 24 March 2020

Commenced 10.35 am
Concluded 11.15 am

Present – Members

Employer Representatives	Member Representatives
Councillor S Lal (Chair) – Bradford	Mr M Binks – Unison
Councillor D Jenkins– Leeds	Mr C Sykes – Unison
Ms R Manning - Employer	Mr M Morris - Unite

Apologies: Councillor Martyn Johnson and Gary Nesbitt

Councillor Lal in the Chair

34. DISCLOSURES OF INTEREST

All those present who were members or beneficiaries of the West Yorkshire Pension Fund disclosed, in the interests of transparency, an interest in all relevant business under consideration.

Action: City Solicitor

35. MINUTES

Resolved –

That the minutes of the meeting held on 17 December 2019 be signed as a correct record.

36. INSPECTION OF REPORTS AND BACKGROUND PAPERS

There were no appeals submitted by the public to review decisions to restrict documents.

37. MINUTES OF THE WEST YORKSHIRE PENSION FUND JOINT ADVISORY GROUP (JAG) 30 JANUARY 2020

The report of the Director, West Yorkshire Pension Fund, (**Document “X”**) reminded Members that the role of The Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 was 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 Joint Advisory Group were submitted to the Pension Board to enable the Board to ensure effective and efficient governance and administration of the LGPS.

It was acknowledged that Members were to be updated on budget issues, contained in the minutes, during the presentation on the Funding Strategy Statement later in the meeting. It was agreed that the Director, West Yorkshire Pension Fund, would respond in detail during discussions on that item.

Resolved –

That the minutes of the WYPF JAG meeting held on 30 January 2020 be noted.

ACTION: Director, West Yorkshire Pension Fund

38. 2019 ACTUARIAL VALUATION AND CONSULTATION ON THE FUNDING STRATEGY STATEMENT

The report of the Director, West Yorkshire Pension Fund (**Document “Y”**) explained that the next triennial actuarial valuation of the Fund was being prepared based on the situation at 31 March 2019, and would determine the level of employers’ contributions from 1 April 2020 to 31 March 2023.

It was confirmed that that at 31 March 2020 WYPF was 106% funded compared to the situation at 31 March 2016 when it was 94% funded. As a result, each of the five district councils saw a very slight reduction in their employer contributions rate which had been welcomed.

The report detailed that a consultation had been undertaken on the Funding Strategy Statement (FSS) according to the regulations and the main changes to the FSS at that time were to bring into the statement the assumptions that had been used at the valuation. All stakeholders had been consulted on the FSS and no changes had been made. The FSS had been taken to the Joint Advisory Group in January 2020 where it was approved.

Resolved –

That the report be noted.

ACTION: Director, West Yorkshire Pension Fund

39. PENSIONS ADMINISTRATION STRATEGY 2020/21

The report of the Director, West Yorkshire Pension Fund, (**Document “Z”**) explained that, as part 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 the levels of performance which the employers and WYPF are expected to achieve.

In accordance with LGPS regulations the Pension Administration Strategy was reviewed each year, and particularly if there were any new regulations and revisions to working practices. It outlined processes and procedures that the fund worked towards and highlighted the employers' responsibilities and obligations and also those of administering authorities. The strategy related to all three LGPS funds and included the London Borough of Hounslow.

The Pensions Administration Strategy was appended to Document "Z".

Resolved –

That the report be noted.

ACTION: Director, West Yorkshire Pension Fund

40. COMMUNICATIONS POLICY 2020/21

The Director, West Yorkshire Pension Fund, presented **Document "AA"** which reported that as part compliance with the LGPS Regulations 2013 WYPF prepare, maintain and publish a written statement setting out its policy concerning communications with:-

- a) Members
- b) Representatives of Members
- c) Prospective Members
- d) Scheme Employers

WYPF's Communication Policy was updated each year to reflect the engagement planned with the various stakeholders and the form of that engagement. It was explained that the policy would need to be reviewed again in light of the COVID-19 situation and the need to consider how services would be delivered.

The report revealed that a key element of the strategy was employee training and it was explained that, due to the current social distancing requirements, alternative methods to face to face training were being developed and would be factored into the strategy. It was reported that the Member Portal would be one of the main communication channels with members and that the current year would be the last year that Annual Benefit Statements would be issued in paper format. In future those statements and newsletters would be provided via the Member Portal.

Members were advised that the Contact Centre was currently closed to personal visitors and all members were encouraged to raise enquiries by telephone.

The Communications Policy was appended to Document "AA".

Resolved –

That the Pension Communication Policy, appended to Document “AA”, report be noted.

ACTION: Director, West Yorkshire Pension Fund

41. REGISTER OF BREACHES OF LAW

The Director, West Yorkshire Pension Fund, presented a report (**Document “AB”**) which informed Members that, 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) imposed a requirement to report a matter to the Pensions Regulator as soon as it was reasonably practicable where that person had reason 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 Law was, therefore, maintained in accordance with the Pensions Regulators’ requirements and WYPF Breaches Procedure. It was acknowledged that the register was being discussed at the meeting to be held at the conclusion of the current meeting and it was agreed that the updated version could be considered in more detail at that time.

Resolved –

That the entries on the Register of Breaches of Law be noted.

ACTION: Director, West Yorkshire Pension Fund

42. WYPF DATA IMPROVEMENT PLAN

The report of the Director, West Yorkshire Pension Fund (WYPF), **Document AC”**, informed members that The Pension Regulator’s (TPR) Code of Practice 14 and The Public Service Pensions (Record Keeping & Miscellaneous Amendments) Regulations 2014 set out the requirements for public sector pension funds to maintain comprehensive and accurate data on their members and their members’ pension contributions.

The report revealed the data scores at November 2019 and plans to improve that data and to prioritise and challenge. It was explained that the data was reviewed on a quarterly basis and it was aimed to demonstrate that improvements were being made.

Resolved –

That the report be noted.

ACTION: Director, West Yorkshire Pension Fund

43. WEST YORKSHIRE PENSION FUND RISK REGISTER

The report of the Director, West Yorkshire Pension Fund (**Document “AD”**) informed members that West Yorkshire Pension Fund maintained a Risk Register which contained 44 risks that had been identified and framed into scenarios. The risks had been rated and 21 of these were above their acceptable tolerance level and 23 were below the tolerance line.

A presentation on five risks from the 21 above their tolerance level identified in Document “AD” was provided so that members could ensure that adequate Management Action Plans were in place to monitor those risks.

Resolved –

That the five risks and action plans to manage and mitigate those risks, contained in Document “AD” be noted.

ACTION: Director, West Yorkshire Pension Fund

44. WYPF PENSION BOARD WORK PLAN

The report of the Director, West Yorkshire Pension Fund, (**Document “AE”**) reminded Members that the role of the Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 was 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.

At item that had been raised by Members at the meeting was a request for clarity over what agenda items at each meeting would be and how they could be aware of items which would be considered on a regular basis. In response a Work Plan had been developed and was appended to Document “AE”.

Member were reminded that additional reports could be requested by Members of the Pension Board in addition to the regular items. Those reports could be requested by Members of the Pension Board at a preceding meeting or could be requested to be included on the agenda at the next meeting by contacting the Technical and Development Manager.

Resolved –

That the work plan of regular reports appended to Document “AE” be approved.

ACTION: Director, West Yorkshire Pension Fund

45. TRAINING, CONFERENCES AND SEMINARS

Members were reminded that training to understand their responsibilities and the issues they will be dealing with was a very high priority.

The report of the Director, West Yorkshire Pension Fund, (**Document “AF”**) informed Members of training courses, conferences and seminars which may be of assistance.

It was acknowledged that due to the current COVID-19 pandemic training was being delivered very differently and as the report had been prepared on the situation in March 2020 the conferences; training and seminars may no longer be available.

No resolution was passed on this item.

46. EXCLUSION OF THE PUBLIC

Resolved –

That the public be excluded from the meeting during consideration of the item relating to minutes of the West Yorkshire Pension Fund Investment Advisory Panel meetings held on 7 November 2019 and 30 January 2020 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.

47. MINUTES OF THE WEST YORKSHIRE PENSION FUND INVESTMENT ADVISORY PANEL 7 NOVEMBER 2019 AND 30 JANUARY 2020

Resolved –

That the Not for Publication minutes of the Investment Advisory Panel on 7 November 2019 and 30 January 2020 contained in Not for Publication Document “AG” be noted.

ACTION: Director, West Yorkshire Pension Fund

48. EXCLUSION OF THE PUBLIC

Resolved –

That the public be excluded from the meeting during consideration of the item relating to Cyber Security 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 business implications of any decision without prejudicing the business position of the West Yorkshire Pension Fund.

49. CYBER SECURITY

Resolved –

That Not for Publication Document “AH” be noted.

ACTION: Director, West Yorkshire Pension Fund

Chair

Note: These minutes are subject to approval as a correct record at the next meeting of the West Yorkshire Pension Fund Pension Board.

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER