

Independent Chair: Roger Buttery

Employer Representatives: Councillor M A Whittington and Gerry Tawton

Scheme Member Representatives: Kim Cammack and David Vickers

Officers in attendance:-

Robert Close (Democratic Services Officer), Andrew Crookham (Executive Director Resources), Michelle Grady (Assistant Director – Finance), Claire Machej (Accounting, Investment and Governance Manager) and Jo Ray (Head of Pensions)

Also in attendance:-

Lisa Darvill (Client Relationship Manager, West Yorkshire Pension Fund), Ammie McHugh (Employer Relations Manager, West Yorkshire Pension Fund), Matthew Mott (Governance and Business Development Manager, West Yorkshire Pension Fund) and Yunus Gajra (Assistant Director for Finance, Administration and Governance, West Yorkshire Pension Fund)

30 APOLOGIES FOR ABSENCE

No apologies for absence were reported.

31 DECLARATIONS OF INTEREST

Mr Gerry Tawton and Councillor M Whittington declared that their wives were deferred members of the Pension Fund.

32 MINUTES OF THE PREVIOUS MEETING HELD ON 14 OCTOBER 2021

During consideration of the minutes from the previous meeting held 14 October 2021, the following updates was received.

- In relation to minute 19, the Executive Director – Resources explained that he had received correspondence that a meeting had been held with the LGPS Scheme Advisory Board which confirmed that Prudential were committed to issuing an action

plan to resolve service issues. The Head of Pensions noted that Prudential had until 31 March 2022 to issue benefit statements to scheme members.

- In relation to minute 21, the Assistant Director for Finance, Administration and Governance (WYPF) explained that a facility was being explored to identify the number of scheme members who had accessed their benefit statement online.

RESOLVED

That the minutes of the meeting held on 14 October 2021 be approved as a correct record.

33 PENSION FUND UPDATE REPORT

A report was submitted to the Board on various Pension Fund matters for the quarter ending 30 September 2021. These matters included: The Pensions Regulator (TPR) checklist dashboard and code of practice, breaches register update, risk register update, asset pooling update and a budget and business plan update.

In response to questions, the following comments were made:

- Two members of the Pension Committee currently had outstanding TPR toolkit training. Once completed, the B12 indicator would be changed to green.
- The Pension Fund budget is an annual budget, it is not profiled over the financial year. It is reported half yearly to highlight any large variances to the Board.
- The refund from West Yorkshire Pension Fund (WYPF) was lower than originally expected as the initial expectation was only an estimate.

RESOLVED

That the Pension Fund update report be noted.

34 RESPONSIBLE INVESTMENT UPDATE

A report was submitted to the Board which gave an update on Responsible Investment (RI) activity during the second quarter of the financial year 2021/22. These matters included an update on the work undertaken by the Local Authority Pension Fund Forum (LAPFF), border to coast pensions partnership activity, Robeco activity and voting activity.

In response to questions, the following comments were made:

- The utilisation of Robeco was considered to offer extra depths to access all parts of the market. Furthermore, additional detail of Border to Coast's votes against management could be provided upon request.

RESOLVED

That the report be noted.

35 PENSIONS ADMINISTRATION REPORT

The Assistant Director for Finance, Administration and Governance (WYPF) reported on the Fund's key performance and benchmarking for the period 1 July 2021 to 30 September 2021. These matters included performance and benchmarking, scheme information, member and employer contact, internal disputes resolution procedures, administration update, current technical issues, web registrations, shared service budget and award nominations.

In response to questions, the following comments were made:

- It was advised that ill health appeals typically took a considerably longer time to administer due to the number of parties involved in the process to establish complete information. Furthermore, Pension Fund Officers met monthly with the WYPF technical team to monitor current internal dispute resolution procedures.
- Recommendations for death grant disputes were provided by the WYPF Service Centre Manager and Pensioner Services Manager, following information being received from all interested parties, before a final decision being made by the Fund's Head of Pensions.
- The only communications WYPF had received from The Pension Regulation (TPR) regarding Prudential were that they were monitoring the situation, in addition to the Financial Conduct Authority (FCA) being notified. Concerns had been escalated to the LGPS Scheme Advisory Board.
- There are a limited number of AVC providers; however, alternative providers may be identified through an overall AVC review being undertaken by Barnett Waddingham.
- Pensioners who still wanted to receive a paper P60 would be able to after advising WYPF.
- Exercises were undertaken to approach frozen pension scheme members to explain options for refunds, however when reaching a five-year period, deposit accounts were created to protect members' tax liabilities.
- The pension saving statements contained complex information and WYPF previously advised members to seek independent financial advice. However, WYPF are considering the feasibility of appointing an independent provider to support members, or providing a list of potential providers.

RESOLVED

That the report be noted.

36 WEST YORKSHIRE PENSION FUND PRESENTATION - WORKING WITH EMPLOYERS

The Board received a presentation by the Employer Relations Manager (WYPF), including detail of the employer relations team and activity, employer training, scheme leavers, pre-retirement courses and employer engagement forum.

In response to questions, the following comments were made:

- Training delivered to employers was focused on effective pension submission operation and employers who struggled to deliver were supported through regular engagement.

RESOLVED

That the report be noted.

37 DATA QUALITY REPORT

A report by the Assistant Director for Finance, Administration and Governance (WYPF) updated the Board on data issues and a data improvement plan.

In response to questions, the following comments were made:

- Having a dedicated staff resource to manually update scheme members' records to ensure data accuracy was not considered the best approach. WYPF were exploring a piece of dedicated software that could pick out key words when scanned.
- Missing annual allowance calculations was a field enabling ABS' to be calculated for the next year. Furthermore, when leavers' calculations were processed those fields were populated. The significant increase in missing annual allowance calculation was a result of process timing.

RESOLVED

That the report be noted.

38 EMPLOYER MONTHLY SUBMISSIONS UPDATE

This paper provided the Board with up-to-date information on Employer Monthly Submissions for the second quarter of the financial year 2021/22 (July to September inclusive).

RESOLVED

That the report on the employer monthly submissions for the second quarter of the financial year 2020/21 be noted.

39 ANNUAL REPORT AND ACCOUNTS 2020/21: THE EXTERNAL AUDITORS AUDIT COMPLETION REPORT

Consideration was given to a report to the Board on the 2020/21 financial statements Audit Completion Report from Mazars, the Funds External Auditor.

In response to questions, the following comments were made:

- AVC information from Prudential wasn't submitted in time to be included in the final version of the accounts, a representation was therefore provided by management to the external auditor. That data was promised to be submitted before the end of December, but was still outstanding. The Fund continued to pursue Prudential.
- Most public sector audits saw delays in the last financial year. It is hoped that the new audit procurement process will address some of these weaknesses.
- As a Fund, there was no penalty for a late submission. There is a proposal from government to delay the audit sign off date for next financial year to the end of November.

RESOLVED

That the report be noted

40 TRAINING NEEDS

The Board considered the standard report on its training needs.

Members of the Board reported attendance at a one-hour webinar session with Hymans Robertson covering administrative changes and challenges, the pension fundamentals day two event, Room 151 events, and XPS Pension Group session on transfers out. The Head of Pensions offered to circulate the link to Room 151 to all Board Members for their information.

RESOLVED

That the report on the Board's training needs be noted.

41 WORK PROGRAMME

A report on the Board's work programme was submitted, which presented the items for consideration at future meetings.

Members of the Board requested the following items to be built into the Board's Work Programme:

- A report on how the McCloud pension judgement was being implemented by West Yorkshire Pension Fund, including numbers of affected scheme members in Lincolnshire.
- A presentation from the External Auditor on their work, its timing, and their reporting processes.
- An exploration into the effectiveness of the LGPS Pensions Board. The Head of Pensions suggested that this would form part of the wider governance review.

RESOLVED

That the report on the work programme be approved.

The meeting closed at 4.26 pm