

## NORTH YORKSHIRE COUNTY COUNCIL

## PENSION FUND COMMITTEE

21 NOVEMBER 2014

## MEMBER AND EMPLOYER ISSUES

## Report of the Treasurer

**1.0 PURPOSE OF THE REPORT**

1.1 To provide Members with information relating to membership movements, performance and costs of benefits administration as well as related events and activity over the year to date as follows;

- |   |                 |
|---|-----------------|
| (a) Admission Agreements                            | (see section 2) |
| (b) Annual Allowance                                | (see section 3) |
| (c) Performance of the Pensions Administration Team | (see section 4) |
| (d) Membership Analysis                             | (see section 5) |
| (e) Member Training                                 | (see section 6) |
| (f) Meetings Timetable                              | (see section 7) |

**2.0 Admission Agreements**

2.1 The latest position re Proposed Admission Agreements is described in the table at **Appendix 1**. There are no specific issues requiring the attention of the Committee.

2.2 A list of recent academy admissions is also included in Appendix 1 and has been expanded to show the original school name and the current status in each case.

**3.0 Annual Allowance Checks for 2013/14 Tax Year**

3.1 HMRC requires that a check is made on the growth in each person's pension scheme benefits each year. If the growth in pension benefits exceeds a value set by HMRC then a 'tax charge' will apply. The level of increase which was permitted for the year 2013/2014 before a tax charge would apply was £40,000.

3.2 Those affected tend to be members who had either been new joiners to NYPF who had come from local government employment elsewhere in the country and had transferred their previous LGPS pension rights into NYPF, or who have received an internal promotion with their current employer.

3.3 For 2013/2014, all affected members have been informed in writing and provided with the required statement, as required by HMRC, within the HMRC deadline.

#### 4.0 Performance of the Pensions Administration Team

4.1 The performance figures for Q2 of 2014/15 are as follows;

Performance Indicator	Target in Q2	Achieved
<b>Measured work achieved within target</b>	98%	100%
<b>Customers' satisfaction with the service</b>	94%	92%
<b>Reduce reliance on Pensions Helpline and encourage self-service approaches</b>	Phone queries reduced as a proportion of customer contacts to 35%	Yes – Reduction to 21.5% in Q2, from 31.6% in Q1
<b>Increase numbers of registered self-service users</b>	Increase number of registered self-service users to 4,965 by the end of Q2	Yes – 2001 new registrations in Q2; 6,305 registered self-service users as at 30 September 2014
<b>Complete production and roll out of Annual Benefit Statements</b>	By 30 September 2014	Yes
<b>Total Sickness absence to the end of Q2</b>	3 days per employee	1.08 days per employee

4.2 Performance was good throughout the quarter and the team has worked hard in the face of the significant challenges thrown up by LGPS2014. For the second quarter running, these challenges have led to a slight underperformance in 'customer satisfaction' largely as a result of employing authorities, as well as the administration team, being impacted by the new regulations. The Team is working collaboratively with employers to resolve the issues and address the causes of negative feedback.

4.3 The strategy to increase the self-service user base continues, with faster progress than expected. This appears to have helped to reduce phone calls as a proportion of customer contacts, which represents an efficiency improvement. It is intended to maintain this positive momentum during Q3 by circulating a newsletter, highlighting the benefits of registration to NYPF's deferred beneficiaries.

4.4 Annual Benefit Statements (ABSs) were made available on-line for the second year. The target of completing this task by the end of September was achieved, with only 1% of this year's ABSs printed and posted out. In 2013 the figure was 10%.

## 5.0 Membership Analysis

5.1 Details of current membership numbers are as follows:

Membership Category	At 31/03/13	+/- Change (%)	At 30/06/14	+/- Change (%)	At 30/09/14
Actives	29,035	+8.5	31,308	+2.4	32,067
Deferred	27,501	+7.2	29,859	+0.3	29,960
Pensioners*	16,755	+5.4	17,949	+1.4	18,197
<b>Total</b>	<b>73,291</b>	<b>+7.3</b>	<b>79,166</b>	<b>+1.3</b>	<b>80,224</b>

\*Figures include spousal and dependant pensions

	30/06/2014	30/09/2014
<b>Number of employing authorities in the Fund</b>	107	113
<b>Number of new starters in the quarter</b>	458	
<b>Number of retirements in the quarter</b>	295	
<b>Number of deaths for those in receipt of pension in the quarter</b>	78	

5.2 As has previously been reported, membership figures are a snapshot based on the information received from employers at a point in time, so short term fluctuations may not be reflected in the longer term.

5.3 The active membership numbers and associated movements by employer for the quarter ending 30 September 2014 are set out in **Appendix 2**.

5.4 An analysis of retirements by employer is provided at **Appendix 3**.

## 6.0 MEMBER TRAINING

6.1 The Member Training Record showing the training undertaken over the year to June 2014 is attached as **Appendix 4**.

6.2 Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 5**.

6.3 These events provide a valuable source of knowledge and advice from speakers who are experts in their field, while keeping Members informed of the latest developments within the LGPS. Please contact Andrew Brudenell (01609 532386 or [andrew.brudenell@northyorks.gov.uk](mailto:andrew.brudenell@northyorks.gov.uk)) for further information or to reserve a place on an event.

## **7.0 MEETINGS TIMETABLE**

7.1 The latest timetable for forthcoming meetings of the Committee and Investment Manager meetings is attached as **Appendix 6**.

## **8.0 RECOMMENDATIONS**

8.1 Members are asked to note the contents of this report.

GARY FIELDING  
Treasurer  
Central Services  
County Hall  
Northallerton

**Background documents:** None

### LATEST POSITION RE ADMISSION AGREEMENTS

Admission Agreement	Current Position and Action to Be Taken (If Applicable)
Sanctuary Housing Association providing extra care services on behalf of NYCC at Jazz Court in Eastfield, Scarborough	Three staff who are members of the LGPS will transfer to the employment of Sanctuary Housing Association on 3 December 2014 following the closure of Braeburn House Care Home in Eastfield, Scarborough. Sanctuary Housing Association have been chosen to provide extra care services on behalf of NYCC at Jazz Court in Eastfield, Scarborough. An admission agreement and associated indemnity agreement have been drafted and will be signed off ahead of the transfer of staff.
Everyone Active, part of Sports and Leisure Management, providing leisure services for Ryedale District Council	Ryedale District Council's leisure services contract with Community Leisure Ltd came to an end on 1 October 2014. There is one employee who continues to be a LGPS member and an admission agreement is therefore required to be entered into with the new contactor, Everyone Active which is part of Sports and Leisure Management. An admission agreement has been drafted and circulated to the parties for agreement.
Streamline Taxis (York) providing home to school transport for pupils of Applefields School, York	City of York Council has entered into a contract with Streamline Taxis (York) from 1 September 2014 to provide home to school transport for pupils of Applefields School, York. One member of staff, who is a member of the LGPS, has transferred under TUPE to the new provider. An admission agreement has been drafted and circulated to the parties for agreement.

### LATEST ACADEMY ADMISSIONS

Original name of school	Date of conversion/current position	Name of Academy after conversion
Robert Wilkinson Primary School (City of York)	School converted to an academy on 1/12/2013	Robert Wilkinson Primary Academy; Part of the Ebor Academy Trust
Haxby Road Primary School (City of York)	School converted to an academy on 1/2/2014	Haxby Road Primary Academy; Part of the Ebor Academy Trust
Aireville School (NYCC)	School converted to an academy on 1/9/2014	The Skipton Academy; In partnership with Craven College
Roseberry Primary School (NYCC)	School converted to an academy on 1/10/2014	Roseberry Academy; Part of the Enquire Learning Trust

Table Showing Change in Active Membership and Opt Out Numbers by Employer.

Employer	Number of active posts			Change During 2014/15	Opt Out inc in change	Change %
	31/03/2013	31/03/2014	30/09/2014			
<b><u>Councils</u></b>						
City of York Council	4,527	4,903	4,998	95	10	1.94
Craven DC	187	194	205	11	2	5.67
Hambleton DC	424	362	364	2		0.55
Harrogate BC	1,014	1,058	1,041	-17	11	-1.61
North Yorkshire CC	17,336	18,959	19,375	416	78	2.19
North Yorkshire CC FTE Terms	8,390	8,400	8,992	592	N/A	7.05
Richmondshire DC	165	217	233	16		7.37
Ryedale DC	212	220	217	-3		-1.36
Scarborough BC	526	557	585	28	2	5.03
Selby DC	195	224	234	10		4.46
<b>Sub Total</b>	<b>24,586</b>	<b>26,694</b>	<b>27,252</b>	<b>558</b>	<b>103</b>	<b>2.09</b>
<b><u>Police and Crime Commissioner, Fire, Probation Services and National Park Authorities</u></b>						
NY Chief Constable	0	0	1	1		
North Yorkshire PCC	1,001	1,062	1,080	18	2	1.69
NY Fire & Rescue	109	110	111	1		0.91
NY Moors National Park	122	122	123	1		0.82
NY Probation Service	203	208	0	-208		-100.00
Y'shire Dales Nat Park	125	122	122	0		0.00
<b>Sub Total</b>	<b>1,560</b>	<b>1,624</b>	<b>1,437</b>	<b>-187</b>	<b>2</b>	<b>-11.51</b>
<b><u>Town &amp; Parish Councils</u></b>						
Easingwold TC	2	2	2	0		0.00
Filey Town Council	2	2	2	0		0.00
Foss Int Drgs Board	7	7	7	0		0.00
Fulford Parish Council	8	9	9	0		0.00
Glusburn PC	1	1	1	0		0.00
Great Ayton PC	1	1	1	0		0.00
Haxby Town Council	4	3	3	0		0.00
Hunmanby PC	1	2	2	0		0.00
Kirkbymoorside TC	0	0	0	0		0.00
Knaresborough TC	3	3	3	0		0.00
Malton Town Council	3	3	3	0		0.00
Marston Moor Dngs Brd	3	3	3	0		0.00
Northallerton TC	5	5	6	1		20.00
Norton on Derwent TC	2	3	3	0		0.00
Northallerton/Romanby Burial Bd	2	2	2	0		0.00
Pickering Town Council	2	2	2	0		0.00
Riccall Parish Council	1	1	1	0		0.00
Richmond Town Council	1	1	1	0		0.00
Ripon City Council	4	6	5	-1		-16.67
Selby Town Council	7	7	7	0		0.00
Skipton Town Council	8	7	7	0		0.00
Sutton in Craven PC	2	2	2	0		0.00
Tadcaster Town Council	0	2	2	0		0.00
Thornton Int Dngs Brd	1	1	1	0		0.00
Whitby Town Council	4	6	6	0		0.00
<b>Sub Total</b>	<b>74</b>	<b>81</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b><u>Colleges &amp; Universities</u></b>						
Askham Bryan College	170	205	198	-7		-3.41
Craven College	193	215	219	4		1.86
Scarborough VI Form	43	52	48	-4		-7.69
Selby College	120	123	133	10		8.13
University of Hull	82	97	93	-4		-4.12
York College	311	343	347	4		1.17
York St John Uni	370	387	478	91	1	23.51
<b>Sub Total</b>	<b>1,289</b>	<b>1,422</b>	<b>1,516</b>	<b>94</b>	<b>1</b>	<b>6.61</b>

Employer	31/03/2013	31/03/2014	30/09/2014	Change During 2014/15	Opt Out inc in change	Change %
<b><i>Admitted Bodies</i></b>						
Catering Academy Ltd	0	5	4	-1		-20.00
Chartwells Compass	6	4	4	0		0.00
Churchill Security	0	3	3	0		0.00
Community Leisure	2	2	2	0		0.00
Craven Housing	32	30	28	-2		-6.67
Derwent Facilities Management	1	0	0	0		0.00
Elite	1	1	1	0		0.00
Enterprise	15	15	15	0		0.00
Future Cleaning	1	1	0	-1		-100.00
Grosvenor FM	8	8	8	0		0.00
Human Support Group	27	26	24	-2		-7.69
Inspace	0	0	0	0		0.00
ISS Mediclean Ltd	72	67	66	-1		-1.49
Interserve	2	1	1	0		0.00
Jacobs UK Ltd	21	19	17	-2		-10.53
Joseph Rowntree Trust	13	12	13	1		8.33
Mellors	11	3	3	0		0.00
Northern Care	0	2	2	0		0.00
NYBEP	1	1	0	-1		-100.00
Premier Support Services	0	2	0	-2		-100.00
Ringway	137	132	129	-3		-2.27
Richmondshire Leisure	14	13	13	0		0.00
Scarbro' Museums Trust	4	1	0	-1		-100.00
Sheffield International Venues	28	24	22	-2		-8.33
Springfield Home Care	3	3	2	-1		-33.33
Superclean	3	3	3	0		0.00
Veritau Ltd	31	34	39	5		14.71
Veritau North Yorkshire	6	4	5	1		25.00
Wigan Leisure/Culture	27	17	13	-4		-23.53
York Archaeological Tst	2	2	2	0		0.00
York Museums/Gallery	96	105	123	18	4	17.14
Yorkshire Coast Homes	99	111	143	32		28.83
Yorkshire Housing Ltd	101	94	84	-10		-10.64
Yorkshire Tourist Brd	6	6	6	0		0.00
<b>Sub Total</b>	<b>770</b>	<b>751</b>	<b>775</b>	<b>24</b>	<b>4</b>	<b>3.20</b>
<b><i>Academies</i></b>						
Archbishop Holgate's School	55	56	63	7		12.50
Great Smeaton Academy Primary School	2	1	1	0		0.00
The Grove Academy	0	6	7	1		16.67
Harrogate Grammar School	152	184	181	-3	1	-1.63
Harrogate High Academy	51	50	54	4	3	8.00
Haxby Road Academy	0	0	38	38		N/A
Manor Church of England Academy	56	60	60	0		0.00
Norton College	56	58	56	-2		-3.45
Outwood Grange Academy	36	32	26	-6		-18.75
Robert Wilkinson Academy	0	78	97	19		24.36
Rossett School	55	55	64	9		16.36
Skipton Girls High School	35	26	27	1		3.85
South Craven School	107	115	112	-3	2	-2.61
St Aidan's C of E High School	151	152	167	15		9.87
The Woodlands Academy	0	35	35	0		0.00
Thomas Hinderwell Primary Academy	0	20	18	-2		-10.00
<b>Sub Total</b>	<b>756</b>	<b>928</b>	<b>1,006</b>	<b>78</b>	<b>6</b>	<b>8.41</b>
<b>Total</b>	<b>29,035</b>	<b>31,500</b>	<b>32,067</b>	<b>567</b>	<b>116</b>	<b>1.80</b>

**NORTH YORKSHIRE PENSION FUND**  
**CUMULATIVE TOTAL OF RETIREMENTS FROM 1 APRIL 2014 TO 30 SEPTEMBER 2014**

<i>Employer</i>	<i>Normal</i>	<i>Ill-Health</i>		<i>Efficiency/ Redundancy /Employers Consent</i>	<i>Total</i>
		<i>Actuarial Assumption</i>	<i>Actual</i>		
007 - Scarborough	6	1	1	5	12
009 - Hambleton	5	1	-	5	10
010 - Ryedale	2	1	-	-	2
011 - Harrogate	16	3	3	1	20
012 - Richmondshire	3	1	1	-	4
013 - Selby	2	-	-	-	2
014 - Craven	2	1	-	-	2
016 - York St John University	4	1	1	-	5
020 - York	45	13	6	12	63
021 - Probation	2	-	-	-	2
025 - NYCC	135	45	1	33	169
042 - NY Police Authority	6	5	5	-	11
051 - NY Fire and Rescue	3	-	-	-	3
052 - N Y Moors NP	1	-	-	2	3
054 - NYBEP	1	-	-	-	1
057 - Yorkshire Housing	2	-	-	-	2
061 - Askham Bryan College	2	1	1	-	3
062 - Craven College	2	-	-	-	2
065 - Selby College	2	-	-	-	2
074 - York College	4	1	1	-	5
076 - York Museums Trust	1	-	-	2	3
077 - Craven Housing	1	-	-	-	1
080 - Yorkshire Coast Homes	1	-	-	-	1
084 - Jacobs	1	-	-	-	1
098 - Harrogate Grammar	3	-	-	-	3
102 - South Craven School	4	-	-	-	4
105 - Rossett School	2	-	-	-	2
107 - St Aidans School	2	-	-	-	2
110 - Ringway	2	-	-	-	2
111 - Veritau North Yorkshire	-	-	-	1	1
118 - Sheffield Int Venues	1	-	-	-	1
Others		5			
<b>TOTALS</b>	<b>263</b>	<b>79</b>	<b>20</b>	<b>61</b>	<b>344</b>

(76%)

(6%)

(18%)

<b>Quarter by quarter analysis</b>					
Quarter 1	115		9	24	148
Quarter 2	148		11	37	196
Quarter 3	-		-	-	-
Quarter 4	-		-	-	-
	<b>263</b>	<b>N/A</b>	<b>20</b>	<b>61</b>	<b>344</b>





## UPCOMING TRAINING AVAILABLE TO MEMBERS

<i>Provider</i>	<i>Course / Conference Title</i>	<i>Date(s)</i>	<i>Location</i>	<i>Themes / Subjects Covered</i>
LAPFF	Annual Conference	03-05 December 2014	Bournemouth	Infrastructure Investment; International Activism; Executive Pay; Issues Facing the LGPS; Social Impact Investing; Board Diversity and Director Competency.
NAPF	Trustees Conference	03 December 2014	London	Freedom and Choice Agenda; Pension Scheme Bill; PPF Changes; Longevity Research.
LAPF	Strategic Investment Forum	05 February 2015	London	Closing Funding Deficits in Low Return Markets; Equities Prospects; Smart Beta; Review of Fixed Income and Absolute Return Strategies; Social Impact Investing.
LGC	Investment Seminar	26-27 February 2015	Cheshire	Full Programme Details TBC.
NAPF	Investment Conference	11-13 March 2015	Edinburgh	LDI Developments; Consultant Relationships; Investment Perspectives; Hedging Longevity; Management Fee Value; Asset Diversification.
NAPF	Local Authority Conference	18-20 May 2015	Gloucestershire	Full Programme Details TBC.

## PENSION FUND COMMITTEE TIMETABLE FOR MEETINGS IN 2014, 2015 and 2016

<i>Meeting Date</i>	<i>Venue &amp; Time</i>	<i>Event</i>	<i>Fund Managers</i>
12-Dec-14	10:30 - 12:30 Grand Committee Room	<b>Investment Manager Meetings</b>	Newton (DGF) Standard Life (UK Equities)
26-Feb-15	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Member and Employer issues Budget & Statistics Performance of the Portfolio Q3 Fund Manager Matters	
27-Feb-15	10:00 - 12:00 Grand Committee Room	<b>Investment Manager Meetings</b>	2 Managers TBC
21-May-15	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Member and Employer issues Budget & Statistics Performance of the Portfolio Q4 Fund Manager Matters	
22-May-15	10:00 - 12:00 Grand Committee Room	<b>Investment Manager Meetings</b>	2 Managers TBC
09-Jul-15	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Statement of Final Accounts 2014/15 Governance of the Fund	

<b>Meeting Date</b>	<b>Venue &amp; Time</b>	<b>Event</b>	<b>Fund Managers</b>
17-Sep-15	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Member and Employer Issues Annual Report 2014/15 Budget & Statistics Investment Performance Q1 Fund Manager Matters	
18-Sep-15	10:00 - 12:00 Grand Committee Room	<b>Investment Manager Meetings</b>	2 Managers TBC
26-Nov-15	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Member and Employer issues Budget & Statistics Performance of the Portfolio Q2 Fund Manager Matters	
27-Nov-15	10:00 - 12:00 Grand Committee Room	<b>Investment Manager Meetings</b>	2 Managers TBC
25-Feb-16	10:00 - 12:00 Grand Committee Room	<b>Pension Fund Committee</b> Member and Employer issues Budget & Statistics Performance of the Portfolio Q3 Fund Manager Matters	