

NORTH YORKSHIRE COUNTY COUNCIL

PENSION FUND COMMITTEE

17 SEPTEMBER 2015

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 of benefits administration as well as related events and activity over the year to date as follows:

- | | |
|--|-----------------|
| (a) Admission Agreements and Academies | (see section 2) |
| (b) Membership Analysis | (see section 3) |
| (c) Administration Performance | (see section 4) |
| (d) Member Training | (see section 5) |
| (e) Meetings Timetable | (see section 6) |

2.0 Admission Agreements and New Academies

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

2.2 The list of recently created academies is also included in **Appendix 1**.

3.0 Membership Analysis

3.1 The membership movement figures for the first quarter of 2015/16 are as follows:

Membership Category	At 31/03/14	+/- Change (%)	At 31/03/15	+/- Change (%)	At 30/06/15
Actives	31,501	+11.1	34,990	+1.7	35,569
Deferred	29,490	+3.7	30,591	+0.1	30,618
Pensioners*	17,668	+4.4	18,451	+1.5	18,735
Total	78,659	+6.8	80,032	+1.1	84,922

*Figures includes spouses' and dependants' pensions

3.2 The breakdown of retirements across the Fund in Quarter 1 of 2015/16 is at **Appendix 2**.

4.0 Administration Performance

4.1 The administration performance figures for the first quarter of 2015/16 are as follows:

Performance Indicator	Target in Q1	Achieved
Measured work achieved within target	98%	96%
Customers surveyed ranking service good or excellent	94%	97%
Reduce reliance on customer helpline. Phone queries reduced as a proportion of customer contacts to < 29%	29%	38%
Increase numbers of registered self-service users	13,000	9,463
Review approaches to scheme member communications	Communications Strategy presented to PFC in July 2015	Yes
Total Sickness absence in Q1	1.5 days per employee	3.7 days per employee

4.2 The impact of LGPS2014 changes and continuing issues with the pension administration system affected Q1 performance for 2015/16. Retirement case performance continues to be strong with 98% of associated work (645 of 656 cases) on target.

4.3 The continued trend is for a substantial increase in cases following the introduction of LGPS2014 and the associated right to retire from age 55 (rather than age 60). In 2014/2015 the number of retirements had more than doubled (1,183 cases compared with 575 in 2013/14). The appropriate level of pension administration resource is therefore being considered in light of this experience under the first year of the CARE scheme.

4.4 Telephone queries increased dramatically in April 2015 as a result of the exercise to update pension record information in relation to the NYCC unpaid leave requirement. In excess of 1,000 employees chose to pay additional contributions to replace lost pension incurred by the two day NYCC Christmas shutdown, which is classed as 'authorised absence' under the LGPS Regulations. Each employee was contacted by email to confirm that the appropriate change had been made to their pension record. This exercise resulted in a number of calls from members wishing to clarify a variety of points.

4.5 Performance indicator 4 (self-service registrations) was comfortably on target prior to the implementation of the Altair pensions administration system. While the new system

brought improved self-service facilities, all existing users were de-activated and required to re-register their details. The total number of registered self-service users is therefore building up again from a zero base.

- 4.6 Performance indicator 5 (sickness absence) shows the largest variance to target. This was predominantly due to a single member of staff on long-term sick leave during the performance review period. Sickness absence levels have previously been low within the Pension Administration Team and there are no current operational concerns in this area.
- 4.7 Following an announcement on 23 May 2015, the Government published a consultation on proposals to cap the total cost of exit payments to public sector workers at £95,000. The proposal that this cap will cover pension strain payments due on early retirement cases raises the potential for additional administrative burden on both NYPF and Scheme Employers. In August NYPF submitted a formal response to the consultation reflecting these concerns. Additional information on this issue is available by verbal update to the Committee.

5.0 Member Training

- 5.1 The Member Training Record showing the training undertaken over the year to September 2015 is attached as **Appendix 3**.
- 5.2 Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 4**. Please contact Andrew Brudenell (01609 532386 or andrew.brudenell@northyorks.gov.uk) for further information or to reserve a place on an event.

6.0 Meetings Timetable

- 6.1 The latest timetable for forthcoming meetings of the Committee and Investment Manager meetings is attached as **Appendix 5**.

7.0 Recommendations

- 7.1 Members note the contents of this report.

GARY FIELDING
Treasurer
Central Services
County Hall
Northallerton

09 September 2015

LATEST POSITION RE ADMISSION AGREEMENTS

Admission Agreement	Current Position and Action to Be Taken (If Applicable)
Scarborough BC leisure services to Sports and Leisure Management Limited	Certain parts of the Scarborough BC leisure services will transfer to the contractor Sports and Leisure Management Limited on 1 October 2015. An admission agreement is to be put in place to cover the staff who will transfer under TUPE at that date.
Sewell FM Ltd contract for cleaning and caretaking services for Danesgate Community School, York	Cleaning and caretaking services for Danesgate Community School, York were awarded to Sewells Facilities Management Ltd with an effective date of 20 July 2015. An admission agreement was put in place on 17 July 2015 to cover the staff who transferred under TUPE.
Hutchison Catering Ltd catering contracts for Cannon Lee School, York and Millthorpe School, York	Hutchison Catering Ltd took over the catering service for Cannon Lee School and Millthorpe School in York on 21 July 2015. An admission agreement was signed on 18 August 2015.
Compass contract for All Saints School, York	The catering service for All Saints School, York was taken over by Compass Catering Ltd on 22 July 2015. An admission agreement is to be put in place to cover the staff who transferred under TUPE.
Mellors Catering Services Ltd catering contract for Markington CE Primary School, Moorside Junior School, Richard Taylor School, St Peters Church of England	The catering service for Markington CE Primary School, Moorside Junior School, Richard Taylor School and St Peter's Church of England has been awarded to Mellors Catering Services Ltd with an effective date of 1 August 2015. An admission agreement is to be put in place to cover the staff who have transferred under TUPE.
PA Food Management catering contract for Bilton Grange School	The catering service for Bilton Grange School was taken over by PA Food Management on 22 July 2015. An admission agreement is to be put in place to cover the staff who transferred under TUPE.

LATEST ACADEMY ADMISSIONS

Original name of school	Date of conversion/ current position	Name of academy after conversion
Brotherton and Byram School (NYCC)	School converted 1 April 2015	Part of the Ebor Academy Trust
Bilton Grange School (NYCC), Askwith School (NYCC) Lothersdale Schools (NYCC)	Schools converted to an academy on 1/8/2015	Part of the Yorkshire Academy Collaboration Trust
Mary's RC School (NYCC) St. Joseph's School (NYCC) St Stephen's RC School (NYCC)	Schools converted to an academy on 1/7/2015	Part of the Bishop Wheeler Catholic Academy Trust
All Saints CE Primary School (NYCC) St Peter's CE Primary School (NYCC)	Schools converted to an academy on 1/8/2015	Became part of the St Aidan's Church of England Schools Trust (along with St Aidan's High School and Richard Taylor CE School) which was renamed Yorkshire Causeway Schools Trust on 5 August 2015
Oatlands Junior School (NYCC) Western CP School (NYCC)	Schools converted to an academy on 1/8/2015	Became part of the Red Kite Learning Trust (along with Harrogate Grammar School)

NORTH YORKSHIRE PENSION FUND
Cumulative Total of Retirements from 1 April 2015 to 30 June 2015

<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>		
001 - Fulford PC	1	-	-	-	1
007 - Scarborough BC	3	1	1	2	6
009 - Hambleton DC	2	1	-	2	4
010 - Ryedale DC	1	1	-	-	1
011 - Harrogate BC	5	2	-	6	11
012 - Richmondshire DC	2	1	1	-	2
013 - Selby DC	3	1	-	1	4
014 - Craven DC	3	1	-	-	3
016 - York St John University	4	-	-	-	4
020 - York	18	7	-	6	24
025 - NYCC	56	22	1	4	61
051 - NY Fire and Rescue	2	-	1	-	3
055 - Uni of Hull	3	-	-	1	4
057 - Yorkshire Housing	3	-	-	-	3
062 - Craven College	2	1	-	-	2
068 - Scar 6 th Form College	1	-	-	-	1
074 - York College	1	-	-	-	1
076 - York Museums Trust	3	1	-	-	3
077 - Craven Housing	1	-	-	-	1
080 - Yorkshire Housing	5	-	-	-	5
086 - Superclean	1	-	-	-	1
105 - Rossett School	1	-	-	-	1
118 - Sheffield Int Venues	1	-	-	-	1
128 - NY Police and Crime C	2	-	-	-	2
128 - NY Chief Constable	3	-	-	-	3
134 - Sewell Facilities Man	1	-	-	-	1
143 - Lifeways	1	-	-	-	1
Others		12			
TOTALS	129	51	3	22	154
	(83%)		(3%)	(14%)	

Quarter by quarter analysis					
Quarter 1	129		3	22	154
Quarter 2 **	-		-	-	-
Quarter 3	-		-	-	-
Quarter 4	-		-	-	-
	129	N/A	3	22	154

[≠] **Estimated** actuarial assumptions re Ill-health numbers for the whole year - 2015/2016

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>
LGC	Investment Summit	10-11 September 2015	Newport	“Funding For the Future”: Asset allocation for cost-effective returns; London CIV progress update; Pension Board analysis; review of the Government asset pooling consultation.
NAPF	Annual Conference and Exhibition	14-16 October 2015	Liverpool	Vision statement from newly appointed Pensions Minister; Comprehensive range of investment-related topics.
LGPIF	Investment Forum	20-22 October 2015	London	Overview of Government and Regulator views on LGPS reform; Investment Strategy and Risk Management.
LAPFF	Annual Conference	2-4 December 2015	Bournemouth	Agenda not yet available.
NAPF	Investment Conference	9-11 March 2016	Edinburgh	Key investment choices, challenges and changes faced by institutional investors.

PENSION FUND COMMITTEE TIMETABLE FOR MEETINGS IN 2015 AND 2016

Meeting Date	Time & Venue	Event	Fund Managers
17 September 2015	10am, The Grand	Pension Fund Committee	
18 September 2015	10am, Room 6	Investment Manager Meetings	Leadenhall; CRC
26 November 2015	10am, The Grand	Pension Fund Committee	1 Manager TBC
27 November 2015	10am, TBC	Investment Manager Meetings	2 Managers TBC
25 February 2016	10am, The Grand	Pension Fund Committee	1 Manager TBC
26 February 2016	10am, TBC	Investment Manager Meetings	2 Managers TBC
19 May 2016	10am, The Grand	Pension Fund Committee	1 Manager TBC
20 May 2016	10am, TBC	Investment Manager Meetings	2 Managers TBC
07 July 2016	10am, The Grand	Pension Fund Committee	
21 September 2016	10am, The Grand	Pension Fund Committee	1 Manager TBC
22 September 2016	10am, TBC	Investment Manager Meetings	2 Managers TBC