

## North Yorkshire County Council

## Pension Fund Committee

11 September 2020

## Administration Report

## Report of the Treasurer

**1. Purpose of the Report**

- 1.1. To provide Members with information relating to the administration of the Fund in the quarter and to provide an update on key issues and initiatives which impact the administration team.

**2. Admission Agreements & New Academies**

- 2.1. The latest position relating to admission agreements and academy conversions is shown in **Appendix 1**.

**3. Administration****3.1. Membership Statistics**

Membership Category	At 01/04/2020	+/- Change (%)	At 30/06/2020
Active	33,403	-1.0%	33,083
Deferred	38,848	+0.45%	39,021
Pensioner (incl spouse & dependant members)	24,181	+1.15%	24,459
<b>Total</b>	<b>96,432</b>		<b>96,563</b>

**3.2. Throughput Statistics**

- Period from 1 April 2020 to 30 June 2020

Casetype	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	10	34	40	4
Transfer Out quotes	20	120	125	15
Employer estimates	16	52	59	9
Employee estimates	0	242	227	15
Retirement quotes	28	707	699	36
Preserved benefits	358	719	935	142
Death in payment or in service	17	118	101	34
Refunds	66	483	515	34
Actual retirement procedure	499	1,104	1,088	515
Interfund transfers	40	204	216	28
Aggregate member records	277	838	941	174
Process GMP	1	1	1	1
Others	258	418	456	220
<b>Total Cases</b>	<b>1,590</b>	<b>5,040</b>	<b>5,403</b>	<b>1,227</b>

- Alongside the above cases the Pensions team also handled 3,196 phone calls (average 68 per day) and 10,795 emails received via the Pensions Inbox (average 177 per day) in the quarter to 30 June 2020.

### 3.3. Performance Statistics

- The performance figures for the period 1 April 2020 to 30 June 2020 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	98%
Customers surveyed ranking service good or excellent	94%	92%
Increase numbers of registered self-service users by 700 per quarter (total registered users 26,019)	700	1,664

- Our performance has improved significantly from last quarter as a direct result of changes made to the structure of the team in February. This quarter was the first one with the team working from home as a result of the national coronavirus lockdown. Whilst this was a challenging time for us, our business continuity plan was triggered and successfully implemented with minimal disruption to the work of the team.
- A significant increase in emails received in the quarter was balanced with a reduction in phone calls. Incoming work from employers reduced but requests for retirement quotations increased along with an increase in the number of quotations being converted to actual retirements. A small increase was also seen in the volume of death notifications being received.
- Yet again this quarter our throughput has increased which has seen a reduction in the total cases outstanding at the quarter end. We continue to focus on ensuring current work is processed as priority whilst also working on clearing the oldest dated cases. We are also prioritising payment of benefits to ensure that these continue to be made correctly and on time throughout the current crisis.

### 3.4. Commendations and Complaints

- This quarter the following commendations and complaints were received:

#### Commendations

Date	Number	Summary
April	8	Professional and efficient service. Service received was excellent.
May	4	Thank you for your help and support during this difficult time.
June	5	Helpful and knowledgeable staff.

#### Complaints

Date	Number	Summary
April	0	
May	0	
June	1	1 Admin – Complicated benefits, needed best pay figure, delay with leaver form

- The complaint categories are:
  - Admin - these can relate to errors in calculations, delays in processing and making payment of benefits.
  - Regs - these relate to a complaint where regulations prevent the member being able to do what they want to.
  - IHER - these are where members have been declined for early retirement on the grounds of ill health and are appealing the decision through the Internal Disputes Resolution Procedure.

### Lessons Learned

Having reviewed the complaints received in the period there were no patterns identified requiring further attention.

### 3.5. **Annual Benefit Statements 2020**

All 212 year-end files have been received, this is 60 more files than last year. 112 have been processed with 100 still remaining. CoYC has been loaded resulting in approximately 100 queries which are being raised with the employer. NYCC is currently being worked through.

100% of Deferred benefit statements (38,846) have been produced with online versions published on 2 June 2020. Approximately 1,000 paper statements have been printed and posted.

## 4. **Business Plan Update**

- 4.1. In the NYPF 2020/21 – 2022/23 Business Plan nine key actions for the 2020/21 year were identified and approved by Members in the February 2020 Committee meeting. It was agreed that officers would provide a progress report against these key actions, this progress report is attached as **Appendix 2**.

## 5. **Issues and Initiatives**

### 5.1. **GMP Reconciliation**

- ITM have received the final data cut from HMRC and have undertaken the closing data reconciliation exercise. This work is being dovetailed with the pensioner data reconciliation project ITM are also undertaking to align the data sets between the two databases, Altair and Resourcelink.

It is anticipated the pensioner reconciliation work will be completed by 31 October 2020 with the GMP rectification stage being completed shortly afterwards.

### 5.2. **Breaches Policy & Log**

- The North Yorkshire Pension Fund's Breaches Log is included at **Appendix 3** for review. There are 6 new entries. These were all accidental disclosures of personal data where one member's information was sent to another member in error. These were as a result of the revised working arrangements put in place during the coronavirus pandemic.

The breaches occurred during May and since then we have put in place revised and more robust processes including peer checking of outgoing post which appears to have stopped any further recurrence.

### 5.3. **Efficiency Initiatives**

- Letter conversion is currently underway as we convert existing letters to the new standard template and change our branding. Content and suitability is also being reviewed as part of this project.

### 5.4. **Administration System Review**

- Procurement was undertaken using the LGPS Pensions Administration Software Framework and following evaluation our current supplier, Aquila Heywood, were the winning supplier.
- We will be contracting for a minimum of 5 years with the option to extend for a further period up to an additional 5 years.
- We are also purchasing the following additional functionality:
  - I-connect - online employer portal enabling employers to provide data monthly online which will be validated at the front end. This will be rolled out from September onwards with the aim that 100% of all employers will be using it by the middle of 2021. Additional administration costs will be incurred by any employer refusing to utilise this functionality.
  - Integrated pensioner payroll – pensioner payroll will now be incorporated within the administration system rather than being on the standalone platform Resourcelink. This will significantly reduce the processing time and risk currently involved in setting up each pensioner.
- Alongside this we will be investing significant resource to improve our use of the existing system to fully utilise its functionality and improve efficiency within the administration function.

## 5.5. **Business as Usual**

- It is expected that the remainder of 2020 will be very busy progressing various projects and initiatives within the pensions team and this will impact our ability to continue to process business as usual work within the agreed SLAs.
- Anticipated projects and initiatives:
  - Roll out of employer portal
  - Reconciliation and rectification of pensioner data
  - Rectification of GMP data
  - Migration and integration of pensioner payroll
  - McCloud data gathering and benefit recalculation, estimated to affect approx. 20,000 members in NYPF
  - Website redevelopment for platform replacement, rebrand and to meet accessibility regulations
  - Workflow and work allocation redevelopment and automation
  - Exit Cap changes
- We will continue to prioritise paying member's benefits correctly and on time but other work will be impacted by the requirement to deliver the above projects.
- It is anticipated the impact will be relatively short lived and benefits will start to be realised early in 2021.

## 6. **Member Training**

- 6.1. The Member Training Record showing the training undertaken over the year to July 2020 is attached as **Appendix 4**.
- 6.2. Responses to the CIPFA Skills Matrix are being collated and it is anticipated the results of the assessment will be brought to a forthcoming meeting. The outcome of this will be considered alongside the Fund's business plan and budget.
- 6.3. Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 5**. Please contact Ashleigh Burdess (01609 536053 or email [Ashleigh.burdess@northyorks.gov.uk](mailto:Ashleigh.burdess@northyorks.gov.uk)) for further information or to reserve a place on an event. Events are limited currently due to the pandemic.

## 7. **Meeting Timetable**

- 7.1 The latest timetable for forthcoming meetings of the Committee and Investment Manager meetings is attached as **Appendix 6**. Meetings will continue to be undertaken virtually until further notice.

## 8. **Recommendations**

- 8.1. Members to note the contents of the report.
- 8.2. Members to note the contents of the Breaches Log and determine whether the breaches should be reported to the Pensions Regulator or not.

Gary Fielding  
Treasurer of North Yorkshire Pension Fund  
NYCC  
County Hall  
Northallerton

03 September 2020

Academy Conversions – 25 ‘in progress’

Name of School	Local Education Authority	Multi Academy Trust (MAT) Name	Conversion Date	Current Position
St Hedda’s Roman Catholic Primary School	NYCC	Nicholas Postgate Catholic Academy Trust	1.9.2020	In progress – delayed from 1.7.2020
Skipton Greatwood CP School	NYCC	Northern Star Academies Trust	1.9.2020	In progress – delayed from 1.7.2020
Escrick CoE VC Primary School	NYCC	South York Multi Academy Trust	1.9.2020	Will be progressed nearer the time
Danesgate Community School	COYC	South York Multi Academy Trust	Expected late spring/summer 2020	Will be progressed nearer the time
St Mary’s Catholic Primary, Selby	NYCC	Bishop Konstant Catholic Academy Trust	1.10.2020	Delayed from 1.2.2020. Will be progressed nearer the time
Holy Family Catholic High, Carlton	NYCC	Bishop Konstant Catholic Academy Trust	1.10.2020	Delayed from 1.2.2020. Will be progressed nearer the time
Skipton Parish CoE School	NYCC	Yorkshire Causeway Schools Trust	1.1.2021	Delayed from 1.2.2020
Ryedale School Helmesley Community Primary School Sinnington Primary School Kirkbymoorside Primary School	NYCC	The Ryedale Learning MAT	On hold – date to be confirmed	Delayed from 1.6.2020
St Hilda’s Roman Catholic Primary School	NYCC	Possible school closure	-	School closure initial consultation started 24.2.2020. Decision taken to halt closure consultation because of COVID-19. To be reviewed at a later date
St Robert’s Catholic Primary School, Harrogate	NYCC	Possibly with Bishop Wheeler Catholic Academy Trust	On hold – date to be confirmed	Delayed from 1.2.2020
Barkston Ash RC Primary School	NYCC	Possibly with Bishop Wheeler Catholic Academy Trust	On hold – date to be confirmed	Delayed from 1.9.2020
St Joseph’s Catholic Primary School, Tadcaster	NYCC	Possibly with Bishop Wheeler Catholic Academy Trust	On hold – date to be confirmed	Delayed from 1.9.2020
St Wilfrid’s Catholic Primary School, Ripon	NYCC	Possibly with Bishop Wheeler Catholic Academy Trust	On hold – date to be confirmed	Delayed from 1.9.2020

Name of School	Local Education Authority	Multi Academy Trust (MAT) Name	Conversion Date	Current Position
St John Fisher Catholic High School, Ripon	NYCC	Possibly with Bishop Wheeler Catholic Academy Trust	On hold – date to be confirmed	Delayed from 1.9.2020
All Saints, York	COYC	St Margaret Clitherow Academy Trust	Not known	Delayed from 1.9.2019
Naburn CoE Primary School	COYC	South York Multi Academy Trust	Not known	Delayed from 1.10.2018
Lord Deramore's Primary School	COYC	South York Multi Academy Trust	Not known	Delayed from 1.11.2018
Fishergate Primary School	COYC	South York Multi Academy Trust	Not known	Delayed from 1.12.2018
Elvington CoE Primary School	COYC	South York Multi Academy Trust	Not known	Actuarial calculations provided based on conversion date of 1.7.18. Conversion delayed, new date not yet known
Langton Primary School	NYCC	Evolution Schools Learning Trust	Not known	Original conversion date was 1.10.2016 but MAT advised it has been delayed.
Thirsk School & Sixth Form College	NYCC	Arete Learning Trust	Not known	Original conversion date was 1.2.2018. MAT has advised no definite agreement in place at present
Stillington Primary School	NYCC	Not yet known	Not known	Proposed conversion date was 1.2.2019 with Hope Learning Trust. Project now on hold. School no longer converting with Hope Learning Trust and new sponsor being sought

**Admission Bodies –28 ‘in progress’**

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
<b>Ebor Academy Trust</b> Osbaldwick Primary Academy Staynor Hall Community Primary Academy	Hutchison Catering Limited	1.1.2020	Complete
<b>NYCC</b> Grove Road Primary School	Compass Contract Services (U.K) Limited	1.9.2019	Complete
<b>School Yorkshire Causeway Schools Trust</b> Pannal Primary School	Compass Contract Services (U.K) Limited	1.9.2019	Complete
<b>Northern Star Academies Trust</b> Hookstone Chase Primary New Park Primary School Starbeck Primary School	Compass Contract Services (U.K) Limited	1.9.2019	Complete
<b>NYCC</b> Colburn Community Primary School	Bulloughs Cleaning Services Limited	1.4.2020	In progress
<b>NYCC</b> Holy Trinity CoE (Ripon) Junior School Holy Trinity CoE (Ripon) Infant School Holy Trinity CoE (Ripon) Infant School	Bulloughs Cleaning Services Limited	1.4.2020	In progress
<b>David Ross Education Trust</b> Thomas Hinderwell Primary Academy	Cater Link Ltd	6.4.2020	In progress
Malton School (NYCC)	Hutchison Catering Limited	1.9.2020	In progress
Killinghall Primary School (NYCC)	Hutchison Catering Limited	1.9.2020	In progress
Linton-on-Ouse Primary School (NYCC)	Hutchison Catering Limited	1.9.2020	In progress
Robert Wilkinson Primary Academy (Ebor Academy Trust)	Hutchison Catering Limited	1.9.2020	In progress
Ripon Grammar School (NYCC)	Absolutely Catering Limited	1.9.2020	In progress
Selby College – (7 catering staff)	Contractor not yet appointed	1.9.2020	Delayed from April 2020 due to Covid-19

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
<b>Dales Academies Trust</b> All 11 schools (catering contract)	Mellors Catering Services Limited	1.9.2020	In progress
<b>Hope Learning Trust</b> Baldersby St James CoE Primary Academy Burton Green Primary School Forest of Galtres Anglican Methodist Primary School Poppleton Ousebank Primary Academy Skelton Primary School	Contractor not yet appointed	1.1.2021	Delayed from July 2020 due to Covid-19
Carlton-in Snaith –(NYCC)	TBC	TBC	Will be progressed nearer the time
<b>City of York Council</b> Retender of catering contracts at approx. 13 schools	Contractors not yet appointed	July 2021	Delayed from July 2020 due to Covid-19
Askham Bryan College	Contractor not yet appointed	1.8.2021	Will be progressed nearer the time
Harrogate Borough Council – Security Contract at Harrogate Convention Centre	Contractor not yet appointed	TBC	Delayed from June 2020 due to Covid-19
City of York Council (Haxby Hall Care Home)	Yorkare Homes Ltd	TBC	Delayed from May 2020 due to Covid-19



## Exiting Employers – 16

Name of Employer	Date exited the Fund
OCS Group UK Limited	31.3.2017
Superclean Services Limited	16.7.2017
Joseph Rowntree Charitable Trust	31.12.2017
York Arts Education (Community Interest Company)	31.3.2018
Hutchison Catering Limited (contract at Canon Lee School)	19.7.2018
Be Independent	31.7.2018
Housing & Care 21	31.8.2018
Consultant Cleaners	31.10.2018 (voluntary liquidation)
Absolutely Catering Limited	Two contracts ceased 4.1.2019
ISS Mediclean (Tang Hall contract)	6.1.2019
The Wilberforce Trust	22.3.2019
Dolce Limited	14.4.2019
Schools Plus	30.4.2019
Lark Cleaning Services Ltd (trading as Betterclean)	25.1.2019
abm Catering Limited (Headlands Primary School and Dringhouses Primary School – both City of York Council)	13.12.2019 and 26.7.2020

Name of Employer	Date exited the Fund
Compass contract Services (UK) Ltd (Thomas Hinderwell Primary Academy contract only)	3.4.2020



**NYPF 2020/2023 Business Plan Update September 2020**

**Appendix 3**

**RAG rating:**

**Green** – completed or not yet due

**Orange** – ongoing, carried forward to 2021/22

**Red** – outstanding, overdue

<b>Key Activity</b>			<b>Resource</b>
<b>Effective and efficient member administration</b>			<b>Head of Pensions Administration</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Administration software re-procurement	Q2 2020/21	Completed – new supplier confirmed.	
Business process re-engineering	Q4 2020/21	In progress – Key processes have been identified and priority order created. Work with new supplier to commence in Q3 of 2020/2021.	
Integrated Payroll	Q2 2021/22	Not yet due – timeframe for delivery being brought forward to Q3/Q4 2020/21 to accommodate other NYCC system re-procurements.	
<b>Key Activity</b>			<b>Resource</b>
<b>Improve Data Quality</b>			<b>Head of Pensions Administration</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
GMP Reconciliation	Q1 2020/21	In progress – Final HMRC file received and rerun being progressed. 3 <sup>rd</sup> party supplier is linking this work to the general pensioner reconciliation project below.	
Pensioner Reconciliation	Q2 2020/21	In progress - Pensioner reconciliation being progressed by 3rd party supplier with the GMP project in mind. Final data comparison made and record linking progressing.	
Roll out online monthly employer returns	Q4 2020/21	Yet to start – awaiting completion of appointment of new supplier before can proceed with this project. Due to start Q3 2020/21	
<b>Key Activity</b>			<b>Resource</b>
<b>Excellent Customer Service</b>			<b>Head of Pensions Administration/Senior Accountant</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Pension Fund rebrand	Q1 2020/21	In progress - New brand approved by PFC in July 2020 meeting and roll out of branding commenced.	
Improve self-service functionality	Q2 2020/21	Completed – New software went live April 2020 with new branding and improved functionality. System capabilities continue to be developed by the supplier.	
Complete website re-development	Q4 2022/23	In progress – Website design being created with initial focus being on the employer area. Assistance being provided by the supplier and NYCC.	

## NYPF 2010/2023 Business Plan Update September 2020

Continued

Key Activity			Resource
<b>Effective Investment Strategy</b>			<b>Pension Fund Committee</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Implementation of Investment Strategy	Q4 2020/21	Completed. As part of the 2019 Triennial Valuation the Committee approved a new long-term investment strategy.	
<b>Key Activity</b>			<b>Resource</b>
<b>Pooling</b>			<b>Pension Fund Committee/ Treasurer/ Senior Accountant</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Effective management of transition	Q4 2021/22	The Fund is now invested in the BCPP UK Equity Alpha, Global Equity Alpha and Investment Grade Credit Funds and has made commitments to the Infrastructure and Private Debt sub-funds which have started to be drawn down. Due diligence on new sub-funds due to be launched in the current year is currently being undertaken by the Fund's investment consultants and advisor and will continue into 2020/21 and 2021/22. The transition into the Index Linked Gilts Fund will take place in 2020/21.	
NYPF representation	Q4 2021/22	Work is ongoing on setting up the new sub-funds. Workshops are being held to allow each partner fund and their advisors to input into the design of the sub-funds.	
<b>Key Activity</b>			<b>Resource</b>
<b>Monitor Income</b>			<b>Senior Accountant</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Introduce monthly monitoring of employer and member pension contributions	Q3 2020/21	This is an ongoing target of the Fund. Work is in progress on addressing any late payments and paperwork and enforcing the charging policy that came into effect from April 2019. A review of the current monitoring arrangements has started.	
Effective financial management	Q4 2021/22	This is an ongoing target of the Fund. Ongoing regular monitoring of investments and other income and expenditure of the Fund takes place. The external audit is currently taking place for the 2019/20 Accounts.	
<b>Key Activity</b>			<b>Resource</b>
<b>Effective Fund Governance</b>			<b>Pension Fund Committee</b>
<b>Action</b>	<b>Timescale</b>	<b>Progress Update</b>	
Committee and Board training plan	Q2 2020/21	In progress - Following data gathering on skills a training plan will be developed to address any gaps.	
Delivery of identified training	Q2 2020/21	Not yet started.	

Date	Title or Nature of Course	Mulligan P	Swiers H	Weighell J	Clark J	Portlock D	M Chambers	A Solloway	A Thompson	C Lunn	D. Mackay	*I Gillies	*C Steward	*I Cuthbertson	C. Vassie	Unison (Vacancy)	Unison (Vacancy)
25 February 2019	LGPS Members Spring Seminar - Leeds					✓											
25 April 2019	Investment Strategy Workshop- Leeds	✓	✓	✓	✓	✓	✓	✓		✓							
13-15 May 2019	PLSA Local Authority Conference, Cotswolds				✓												
24 May 2019	Manager workshop	✓	✓	✓	✓	✓	✓										
20 June 2019	Global Equity workshop	✓	✓	✓	✓	✓	✓	✓	✓	✓							
4 July 2019	MAC Workshop	✓	✓	✓	✓	✓	✓			✓				✓			
9–10 October 2019	Baillie Gifford Conference	✓	✓	✓					✓								
10-11 October 2019	BCPP Conference	✓	✓	✓	✓	✓	✓			✓							
21 November 2019	Investment Strategy Workshop	✓	✓	✓	✓	✓	✓			✓							
20 February 2020	Investment Strategy Workshop	✓	✓	✓	✓	✓	✓	✓		✓							
11-13 March 2020	PLSA Investments Conference, Edinburgh	✓															
21 May 2020	Investment Strategy Workshop	✓	✓	✓	✓	✓	✓	✓	✓	✓							
2 July 2020	Investment Strategy Workshop	✓	✓	✓	✓	✓	✓	✓	✓								

**\*City Of York Council Members – Ian Gillies/Chris Steward (Sub) - May 2017 to May 2019 / Ian Cuthbertson – May 2019 – May 2020 / Christian Vassie – May 2020 - present**

## 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>
PLSA	Annual Conference & Exhibition 2020	14-16 October 2020	Digital event	<p>Make connections, share insight and discover new thinking at our world-class online event.</p> <p>As the economy and our society go through the most dramatic shift in living memory, the pensions industry is working to picture the future, to invest for the future and to provide for the future.</p> <p>This event will be provided digitally</p>
PLSA	Local Authority Update	11-12 November 2020	Digital event	<p>Our Local Authority Update is the essential autumn event for the LGPS covering 6 million members and assets of £291 billion – to examine some of the biggest topics for the scheme right now. This year's digital event features senior policy makers and influencers, and high profile industry figures.</p> <p>This event will be provided digitally</p>

## PENSION FUND COMMITTEE TIMETABLE FOR MEETINGS IN 2020/21

Meeting Date	Time & Venue	Event	Fund Managers
10 September 2020	10am, Remote meeting	Pension Fund Workshop	Representative of BCPP and/or Fund Manager TBC
11 September 2020	10am, Remote meeting	Pension Fund Committee	
26 November 2020	10am, TBC	Pension Fund Workshop	Representative of BCPP and/or Fund Manager TBC
27 November 2020	10am, TBC	Pension Fund Committee	
18 February 2021	10am, TBC	Pension Fund Workshop	Representative of BCPP Fund Manager TBC
19 February 2021	10am, TBC	Pension Fund Committee	