

North Yorkshire County Council

Pension Fund Committee

13 September 2024

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 01/04/2024	+/- Change (%)	At 30/06/2024
Active	30,499	+6.54%	32,491
Deferred	39,865	-0.70%	39,587
Pensioner (incl spouse & dependant members)	30,776	+2.30%	31,486
Total	101,140		103,564

3.2. Throughput Statistics

- Period from 1 April 2024 to 30 June 2024

Case type	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	11	45	47	9
Transfer Out quotes	33	141	142	32
Employer & employee estimates	71	879	780	170
Retirement quotes	85	461	464	82
Preserved benefits	1,077	1,540	1,712	905
Death in payment or in service	130	684	680	134
Refunds	158	356	373	141
Actual retirement procedure	748	696	880	564
Interfund transfers	504	569	488	585
Aggregate member records	52	126	127	51
Others	405	412	458	359
Total Cases	3,274	5,909	6,151	3,032

- As well as processing the above cases, the Pensions team also handled 3,444 phone calls (average 56 per working day) in the quarter.

3.3. Performance Statistics

- The performance figures for the period 1 April 2024 to 30 June 2024 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	94%
Customers surveyed ranking service good or excellent	94%	96%
Increase numbers of registered self-service users by 700 per quarter (total registered users 48,348)	700	1,460

- We continue to focus on completing all of our work within target and encouraging sign up for member self-service.

3.4. Commendations and Complaints

- This quarter the following commendations and complaints were received:

Commendations

Date	Number	Summary
Apr	5	The pensions service excelled in their duties. A very professional service.
May	7	I found the pension team extremely helpful Very professional and kept me informed throughout the process
June	1	Quick response and help

Complaints

Date	Number	Summary
Apr	2	IHER – complaint against employer not informing them about IHER at date of leaving Regs – complaint about not being able to draw benefits or transfer out due to restrictions imposed by the regulations
May	0	
June	1	Admin – Retirement benefits were overquoted due to incorrect service history being recorded.

- 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 2024**

Benefit statements for Active members were published online on 26 July with paper copies sent to the print unit the same day. This is 5 weeks ahead of the statutory deadline.

We issued 27,696 out of 28,564 statements which equates to 97.92%. The remaining 595 are being worked through and those that need to be issued will be completed before 31 August 2024.

3.6. **Breaches Policy & Log**

The North Yorkshire Pension Fund's Breaches Log is included at **Appendix 2** for review. There were no new entries in the quarter to 30 June 2024.

4. **Issues and Initiatives**

4.1. **Ongoing projects**

The latest position is 196 employers onboarded with 48 left who are mainly small contractors with multiple contracts of one or two members. The employer relationship team are now onboarding new employers as part of the admissions process. We are still aiming to fully complete this project by 31 March 2025.

4.2. **McCloud**

Good progress is being made and work continues with investigating and resolving the errors and queries from the go live. This will enable us to fully establish how many members and records are in scope and potentially have an underpin payable.

Once this work is completed the next stage is the rectification for those members who have already had benefits paid, pensioners, transfers out and deaths where a potential underpin has been identified.

It has been confirmed the McCloud data has to be included in the 2024 annual benefit statements so that has established a finite completion date for this project.

4.3. **Pensions Dashboard**

A contract variation has been submitted to appoint Heywood as our ISP provider. They are an alpha partner in the dashboards program and have already successfully connected to the dashboard ecosystem.

The connection deadline for the Local Government Pension Scheme is 31 October 2025. We are targeting a connection date of 31 May 2025 and a project team has been created to progress this.

4.4. **New TPR General Code of Practice**

Aon have reviewed the completed TPR compliance spreadsheet and a workshop was held on 20 August to discuss their findings and receive feedback. From this workshop a final baseline position has been created and actions agreed. A copy of the output report is included at **Appendix 3**.

From this baseline an action plan will be created to ensure progression towards full compliance and updates will be brought to future meetings. A schedule of reassessment will also need to be established.

4.5. **Business Continuity Plan**

The first draft of the business continuity plan (BCP) has been created and a workshop has been arranged with the incident management team to further develop and refine the plan. This will also involve working through various scenarios to ensure the plan is fit for purpose.

5 Risk Register

The Fund risk register is reviewed twice a year in May and November and is normally brought to the annual governance document review meeting. Unfortunately due to other work priorities the May review was not signed off in time so it is being brought to the subsequent meeting instead for review. The detailed report is included as **Appendix 4** and the summary report is **Appendix 5**.

There is one risk that has worsened, three that have lessened and seven risks that have remained the same since the last review.

Risk – RPF_9 Key Personnel has worsened due to work pressures across the Council, to deal with legacy local government reorganisation issues and the delays in the auditing of the Council's and Pension Fund's accounts as reported to the Committee. The probability has been changed to high from medium, reflecting the fact that this has happened. This risk is expected to reduce over time.

Risk – RPF_2 Pension Fund Solvency has improved due to a reassessment of the position. Solvency has remained over 100% since the 2019 valuation, despite the financial markets reacting badly to covid, the Russian invasion of Ukraine, and the Government's mini budget in September 2022. There has also been a sustained period of high interest rates and high inflation. The probability has been changed to low from medium.

Risk – RPF_8 Employer Contributions has improved due to the healthy solvency position of the Fund over a number of years (see Risk – RPF_2 Pension Fund Solvency) and the implementation of risk mitigation actions such as the roll out of i-Connect to employers and the application of the recently updated Charging Policy and Breaches Policy. The probability has been changed to low from medium.

Risk – RPF_3 LGPS Pooling Transition has improved as we are a significant way through this process and the management and monitoring of this process is well established. Approximately 75% of the Fund's assets are now managed by Border to Coast. There have been no significant issues and the Fund continues to work with Border to Coast on ongoing management arrangements and up and coming fund launches. The probability and the impact have both been reduced to low from medium to reflect this.

6 Member Training

The Member training record showing the training undertaken up to the end of the relevant quarter is attached as **Appendix 6**.

Please contact Stephen Loach on 01609 532216 or email stephen.loach@northyorks.gov.uk with any details of training undertaken or conferences attended and these will be added to the training record.

The new General Code of Practice refers to areas that Pension Fund Committee (and Pension Board) Members should be familiar with. They are pensions law and associated legislation, the scheme, scheme funding and investments, risk management, scheme administration and service providers, and scheme communications. These areas are all covered by the modules on the Aspire LGPS Online Learning Academy managed by Hymans Robertson, which is available to all Pension Fund Committee and Pension Board Members and appropriate pensions officers.

Hymans Robertson will soon be making available their latest version of their LGPS National Knowledge Assessment. This will serve a number of purposes:

- to help satisfy the requirements laid out in the General Code of Practice to support reporting on the knowledge and skill of individual Committee and Board Members
- to assess the collective knowledge of the Committee, as well as that of the Board
- to help identify any gaps in knowledge or areas of lower knowledge, on an individual and collective basis, to assist with the focus of training over the next 12-18 months
- to provide benchmarking against all other participating LGPS funds

All Pension Fund Committee and Pension Board Members will be asked to complete the Assessment.

The Knowledge Assessment has been deliberately aligned to the modules on Aspire, offering an easy first step to assist Committee and Board Members quickly develop knowledge in any weaker areas they may have. However, there would be a clearer picture for potential supplemental training if all Members completed all the Aspire modules before completing the Knowledge Assessment.

Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 7**.

Please contact the team on email pensionfund@northyorks.gov.uk for further information or DemocraticServices.West@northyorks.gov.uk or stephen.loach@northyorks.gov.uk to reserve a place on an event.

The views of Members will be sought on ideas for training but given the technical nature of some of the areas of responsibility, there will be a significant number of training events and it will be suggested that on-line training is made mandatory for all Members. It is recognised however that this will need to be done proportionately and over a period of time.

6 Meeting Timetable

The latest timetable for forthcoming meetings of the Committee is attached as **Appendix 8**.

7 Recommendations

7.1 Members to note the contents of the report.

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05 September 2024