

**MINUTES OF MEETING OF POLICE PENSION BOARD  
HELD AT NORTHERN IRELAND POLICING BOARD, WATERSIDE TOWER,  
CLARENDON DOCK, BELFAST  
MONDAY 13 SEPTEMBER 2021 at 10:30am**

**PRESENT:**

- Mr Michael Burton, Chair
- Mr Liam Kelly (Police Federation of Northern Ireland)
- Mr Paul King (PSNI)
- Ms Aislinn McGuckin (T/Director of Police Administration, Northern Ireland Policing Board)
- Mr Brian Quinn (Independent)
- Mrs Amanda Stewart (Chief Executive, Northern Ireland Policing Board)\*

**THE PENSIONS  
REGULATOR  
REPRESENTATIVES  
IN ATTENDANCE**

- (1) Mr Richard Caines\*
- (1) Mr Timothy Lunn\*

**NORTHERN  
IRELAND POLICING  
BOARD OFFICIALS  
IN ATTENDANCE**

2 Board Officials

\*Attended via Video Conference

(1) Attended for item 9 only

## 1. APOLOGIES

Apologies were received in advance of the meeting from Assistant Chief Constable (ACC) Mark McEwan (Chief Police Officers Staff Association) and Superintendent (Supt) Ryan Henderson (Superintendent's Association NI).

## 2. CONFLICTS OF INTEREST

No conflicts of interest were declared.

## 3. MINUTES OF PREVIOUS MEETING

The minutes of the Police Pension Board (PPB) meeting on 1 June 2021 were approved. The Chair asked that they also be published on the Northern Ireland Policing Board (NIPB) website.

## 4. MATTERS ARISING

Members discussed the matters arising from the previous meeting held on 1 June 2021, noting the update paper provided by Officials and that a number of actions had been completed, and the other actions would be addressed during the course of the meeting.

The Chair noted that meeting with the Representatives from the Scheme Manager and Scheme Administrator would be arranged in the coming weeks to discuss the Finance Reports presented to the PPB.

In relation to the PPB Risk Register, it was noted that the link to the Toolkit Training had been recirculated to all Members and the Chair asked the T/ Director of Police Administration to circulate the link to all Members and noted that all Members were required to complete the relevant training on appointment to the PPB. **(AP1)**

The T/Director of Police Administration provided an overview of the updates made to the draft Reporting Breaches of the Law Policy including the introduction of a traffic light framework to help determine whether a breach is likely to be of material significance. A further change was requested to the draft Policy and it was agreed that an Annex detailing a decision tree would be included in the draft Policy. **(AP2)**

The development of an Information Sharing Agreement between the Scheme Manager and Scheme Administrator continued.

Members discussed the correspondence from the Scheme Manager to the Scheme Advisory Board (SAB) dated 24 August 2021 asking the SAB to consider Immediate Detriment cases as had been discussed by PPB on 1 June 2021. The T/ Director of Police Administration agreed to keep the Members updated when a response was received from the SAB.

## **5. PSNI GOVERNANCE REPORT & SCHEME FINANCE**

### **5.1 Scheme Administrator Update**

The Head of PSNI Pensions Branch provided an overview of the Scheme Administration Report. The paper provided Members with an analysis of scheme movements, current scheme membership, and an overview of the current performance levels.

Items discussed included:

- The current position of PSNI's pension budget and spending as at the end of August 2021.
- Confirmation that all monthly payrolls were maintained and paid on time.
- The processing of retire notices, Cash Equivalent Transfer Values (CETVs), and changes to Tax records.
- Confirmation that there were no breaches of law or data issues and no complaints received during the period.
- Annual Benefit Statements had been issued to all Members.

The Head of PSNI Pensions Branch also provided an update on future work streams and issues including McCloud and an internal audit of PSNI Pensions Branch, and a copy of the Terms of Reference were provided with the meeting

papers. The Board agreed the Terms of Reference for the internal audit of PSNI Pensions Branch.

## **5.2 Pensions Dashboard**

The Head of PSNI Pensions Branch provided an update on the progress of the Pensions Dashboard Programme (PDP) noting that a future Consultation exercise on the PDP was planned.

The Head of PSNI Pensions Branch provided an overview of the progress to date including the two types of data, and the additional work required including consent authorisation service and governance register. It was noted that next steps would include the development of a regulatory framework and technical guidance to support the development of a PDP.

## **5.3 Final Report to Those Charged With Governance**

The Final Report To Those Charged With Governance following completion of the PSNI Pension Annual Report and Financial Statements for the year ended 31 March 2021 was noted. The Report detailed an unqualified opinion in relation to the PSNI Pension Annual Report and Financial Statements and one Priority 3 Recommendation had been identified by the Northern Ireland Audit Office which related to the establishment of a central register listing all related parties which PSNI would progress internally.

The Chair noted that the draft PSNI Pension Annual Report and Financial Statements for the year ended 31 March 2021 had been presented to the Board at the meeting on 1 June 2021 and they had later been finalised and laid before the Northern Ireland Assembly before the summer recess. No material changes had been made to the Annual Report and Financial Statements following the Board's consideration of them on 1 June 2021.

## **6. POLICE PENSION BOARD RISK REGISTER**

The Police Pension Board Risk Register was discussed noting that the changes requested at the meeting on 1 June 2021 had been actioned.

Members discussed each Risk on the Register including the inherent and residual risks scores and agreed changes to the Register including the de-escalation of some risks from the Register:

1. Risk 4 (Reporting Breaches), it was agreed that this would be de-escalated from the Register.
2. Risk 5 (Pension Administrator Controls), the T/Director of Police Administration agreed to provide an update on the ongoing development of an Information Sharing Agreement between the Scheme Manager and Scheme Administrator.  
**(AP3)**
3. Risk 8 (COVID-19) would be de-escalated from the Register as the Administrator had established blended working arrangements and the administration of the Pension Schemes had not be adversely impacted.

## **7. MCCLOUD REMEDY PROJECT**

### **7.1 Latest Developments**

The independent Pensions Advisor provided an update on developments to progress the McCloud Remedy following the Department of Finance's (DoF) public consultation noting that the DoF published its guidance on the consultation response and chosen remedy – the Deferred Choice Underpin, and all pension scheme members would move to the Reformed Scheme from April 2022.

Items discussed included:

1. Parliamentary changes to legislation considered following the introduction of the Public Pensions and Judicial Bill currently pending authorisation from the House of Lords.
2. The use of Legislative Consent Motion (LCM) to implement the legislative changes in Northern Ireland so that specific Northern Ireland legislation was not required.
3. Draft provisions to the Finance Bill 2021-22 to change the mandatory “scheme pays” legislation.

Following discussion, Members agreed that that the Board should write to the SAB seeking an update about the provision of specific financial advice roadshows to officers about the impact of the implementation of the McCloud Remedy. **(AP4)**

## **7.2 Update on Legislative Position**

The T/Director of Police Administration discussed the LCM and noted that correspondence was still pending from the SAB in order to provide more clarity on the matter.

As referred to in section 2 of 7.1. Members noted the significance of the LCM and how it may Northern Ireland having to draft bespoke legislation to address the implementation of the McCloud Remedy.

## **7.3 Scheme Administrator Update**

The Head of PSNI Pensions Branch provided an update on staffing/resourcing and IT infrastructure required to deal with the implementation of the McCloud Remedy.

Items discussed included:

1. Confirmation that PSNI were seeking to recruit additional administrative staff to deal with the increased work streams as a result of the implementation of the McCloud Remedy. Members further noted that the PSNI were bidding for additional monies but it is was unclear how the additional cost of the implementation of the Remedy would be paid for.
2. Work ongoing to introduce a new Pensions Administrator system.
3. The creation of a newsletter that would act as a guide for Scheme Members - highlighting key information regarding the McCloud Remedy.
4. The independent Pensions Advisor and PPB Chair had previously provided an update to the NIPB Resources Committee on the implications of the McCloud Remedy on the PSNI.

## **8. HMT SCAPE DISCOUNT & COST CAP**

### **8.1 Presentation**

The independent Pensions Advisor provided an overview of the public consultations on both SCAPE Discount Rate and Cost Control Mechanism that had been held during the summer 2021 period and Members noted the alternative proposals that formed part of the consultation process.

## **8.2 Consultation Response from Chair of (SAB) England & Wales to HMT (SCAPE)**

Members noted correspondence from the Chair of (SAB) England & Wales to HM Treasury dated 19 August 2021 detailing their views on the SCAPE Discount Rate.

## **8.3 Consultation Response from Chair of (SAB) England & Wales to HMT (Cost Cap)**

Members noted correspondence from the Chair of (SAB) England & Wales to HM Treasury dated 19 August 2021 detailing their views on the Cost Control Mechanism.

## **9. PENSION REGULATOR UPDATE – SUPERVISION PROJECT**

Mr Caines and Mr Lunn joined the meeting and Mr Caines provided an overview of The Pension Regulator's (TPR) proactive approach to the supervisory project noting that its purpose was to provide support and guidance on the governance arrangements to the PPB and Police Pension Scheme.

Mr Caines noted that the supervisory project would take approximately 6 months and on completion a Report with Recommendations would be presented to the Chair for the PPB to progress.

Mr Caines and Mr Lunn would attend the next PPB Meeting in December 2021 to provide a progress update on the supervisory project.

## **10. ANY OTHER BUSINESS**

The Chair congratulated NIPB Chief Executive Amanda Stewart on her recent appointment to the Probation Board for Northern Ireland and thanked her for her contribution to the PPB.

#### **11. DATE OF NEXT MEETING**

Officials would put the arrangements for the next meeting in place and contact Members via email.

The meeting ended at 12.50pm.

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**MR MICHAEL BURTON**  
**CHAIRMAN**