

MINUTES OF MEETING OF POLICE PENSION BOARD

WATERSIDE TOWER

MONDAY 18 FEBRUARY 2019

10.00am

Present:

Members: Michael Burton (Chair)
Paul King (PSNI)
Colin McCrum (Police Federation NI)
Liam Kelly (Police Federation NI)
ACC Mark Hamilton (Chief Police Officers Staff Association)
Superintendent John McCaughan (Superintendent's Association NI)
Mr Brian Quinn (Independent)
Mrs Amanda Stewart (NIPB Chief Executive) – Items 1-10 only

Also present: Miss Aislinn McGuckin (NIPB Police Administration Branch Manager)
Mrs Charis Hilditch (NIPB Police Administration Branch)

1. Apologies

The Chair, Mr Burton, welcomed everyone and asked if there were any apologies for the meeting. An apology for today's meeting was noted from Mr Tim Logan (NIPB Director of Resources).

2. Declaration of Conflicts of Interest

The Chair asked members to consider today's agenda and advise if there were any conflicts of interest. No conflicts of interest were declared.

3. Minutes of Previous Meeting

The Chair requested that the Members present at the PPB meeting of 12 November 2018 advise if they were content that the draft minutes represented an accurate account of the meeting.

Members noted a discrepancy in relation to the note of Members present at the meeting. Subject to this being updated Members agreed that the minutes were accurate and should be published on the NIPB website.

Action: Board officials to ensure the minutes of the Police Pension Board meeting of 12 November 2018 are published on the Board's website.

4. Matters Arising

Members considered a paper regarding the matters arising from the PPB meeting of 12 November 2018. Members noted that all of the agreed actions had been progressed.

5. PSNI Governance Report

Mr King briefed Members on a paper tabled at the meeting updating Pension Board Members on changes to scheme membership, details of the current cost of the scheme and an overview of the current performance levels for key items such as response times to general Pension queries.

Specific areas discussed with Members included:

- The number of joiners electing to, in the short term, opt out of the scheme;
- Overpayments in relation to pensions and injury awards and how these overpayments are recovered, and;
- A financial update including details of income and payments made by the scheme in 2017/18 and the estimated position of 2018/19

Mr King also provided an update in relation to the current internal audit.

Members noted that a draft report was due which would be shared with Members on receipt. The Chair also requested that the Terms of Reference (ToR) for the Internal Audit be brought to the Police Pension Board for retrospective approval and that future Internal Audit ToR's be brought to Members prior to the commencement of the audit.

Action: To circulate to Members, when available, the draft Internal Audit report and to bring to the next meeting of the Police Pension Board the Internal Audit Terms of Reference for retrospective approval.

6. GMP RECONCILIATION EXERCISE

Members noted a short update from Mr King in relation to the GMP reconciliation exercise including the number of cases not fully reconciled with HMRC records (212) and the total number of records which have shown an under or overpayment of GMP in payment (102).

Action: it was agreed that the GMP Reconciliation Exercise would remain on the agenda for the next meeting of the Police Pension Board.

7. SCHEME FINANCE

Members considered a paper tabled at the meeting regarding the Pension Schemes' finances including Assumptions for 2018/19 Pension Disclosures, the higher than expected commutation figures owing to the high level of leavers in April 2018 and the potential impact of recent Employment Tribunal judgment being the 'McCloud/Sargeant' age discrimination judgment delivered by the Court of Appeal on 20 December 2018.

Members noted that the McCloud Judgment was listed for discussion at agenda item 8.2 however discussed it at this point as it relates directly to the scheme finance.

Members noted that in December 2018 the Court of Appeal ruled that the 'transitional protection' offered to some members of the judicial and fire fighter pension schemes as part of public sector pension reforms amounted to unlawful discrimination. Members also noted that the Government is currently seeking leave to appeal this decision. Members also noted that the cost cap element of scheme valuations had been put on hold until the outcome of any appeal in this case.

Action: Members agreed that a watching brief is maintained on the progress of this case to appeal.

8. RECENT LEGISLATION AND CASELAW

8.1 Pensions Ombudsman response to DWP Consultation

Miss McGuckin briefed Members on a consultation paper published by the Department of Work & Pensions in relation to The Pensions Ombudsman: Dispute Resolution Provisions and Jurisdiction.

Miss McGuckin outlined that this consultation followed the transfer of the dispute resolution function from the Pensions Advisory Service to the Pensions Ombudsman and the proposals enable the Pensions Ombudsman to seek the earliest and most appropriate way of resolving issues between the parties.

8.2 – Impact of McCloud Judgement on Public Service Pensions

This matter was discussed as noted above at agenda item 7.

8.3 The Pensions Ombudsman – Redress for non-financial injustice

Members noted a fact sheet published by The Pensions Ombudsman providing revised guidance for applicants on redress for non-financial injustice caused by maladministration. Members noted the five categories into which an award for non-financial injustice will fall: Nominal, Significant, Serious, Severe and Exceptional.

9. GENERAL DATA PROTECTION REGULATIONS (GDPR) UPDATE

Miss McGuckin advised Members that GDPR will be further discussed at the upcoming meeting between the Board and the Pensions Administrator (PSNI).

Members noted that work was ongoing in respect of the Information Sharing Agreement (ISA) between PSNI and NIPB. Members were also advised that that legal advice is currently outstanding in relation to whether, owing to the Board's status as a non-Crown body, it is necessary to put in place a contract between PSNI and the Board in place of an ISA.

Action: To bring to the next meeting of the PPB an update regarding the legal advice received.

10. PPB Risk Register

Members noted that the PPB Risk Register had been updated in line with the approved amendments discussed at the 12 November 2018 meeting.

Following review, Members agreed that currently no further amendments should be made or additional risks added to the PPB Risk Register.

A Member raised the issue of Cyber-Security and it was agreed that this issue would be discussed at a future meeting of the Police Pensions Board.

Action: To bring to a future meeting of the Police Pensions Board a paper regarding Cyber-Security as it relates to the pension scheme.

Mrs Stewart offered the Chair her apologies and left the meeting at this point.

Miss McGuckin advised Members that registration was now open for those Members wishing to attend the upcoming Northern Ireland Public Sector Pension Conference 2019 taking place at Titanic Belfast on 3 April 2019.

11. PRESENTATION THE PENSIONS OMBUDSMAN

Members received a presentation from a representative of the Pensions Ombudsman providing Members with an overview of a customer's journey with the Pensions Ombudsman. This included:

- The revised role of The Pensions Advisory Service (TPAS) and the Early Resolution Service;
- Signposting for dispute resolution;
- Key statistics relating to Pension and Injury Scheme outcomes and complaint topics, and;
- How The Pensions Ombudsman (TPO) assists the courts.

12. Any Other Business

No further business was discussed.

13. Date of Next Meeting

Members noted the date of the next meeting of the Police Pensions Board as Monday 20 May 2019.

Meeting closed: 12:40pm

Mr Michael Burton
Chairperson