

Minutes

Pensions Working Group

6th February 2020, 11:00 – 12:30
at British Transport Police, Force Headquarters,
Camden Road, London NW1

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Present:

Shrin Honap – Chair
Bill Matthews – via phone
Graham Evans

Rachael Etebar, People & Culture Director
Kerry McCafferty, Head of People and Development
Emma Norman, Pay and Benefits Manager

Hugh Ind, Chief Executive
Sarah McGarel, Chief Financial Officer
Victoria Tanner, Contracts and Compliance Manager

Nick Vine, XPS
Neil Lalley, XPS
Gavin Zaprzala-Banks, PS Aspire
Stephen Field, TfL Pensions

Apologies:

Beverley Shears
Tracey Martin, Finance Director

1. Welcome

Shrin Honap welcomed everyone to the meeting and noted the apologies. The Chair requested whether any conflicts of interest needed to be declared, and no new conflicts were declared.

2. Minutes

The minutes from the September meeting were agreed

3. Action updates

Updates against actions were captured in the Actions arising log. A number of the actions were completed.

4. Home Office Transferees – standing item

4i – Transfers and policy for the Officers' fund

- 4.1 BTP presented a paper for discussion in relation to determining the approach being taken in relation to allowing transfers into the BTP CARE scheme, and to ensure that individuals are treated equally. Currently there is no bi-lateral agreement in place for the CARE Section that allows for a like for like transfer to take place. The only option currently open is for members to transfer in via the Cash Equivalent Transfer Value (CETV) route, but this does not allow the transferee to retain the link to salary and in-service pension age in the same way as under a bilateral agreement. If a transferee is going to use the CETV route it is recommended that they seek independent advice before any decision is made.
- 4.2 The Group were made aware that RPMI have allowed two members to transfer into the BTPA scheme using the CETV mechanism after a period of time. But further discussion took place as to whether the Authority endorsed these types of transfers into the scheme.
- 4.3 Given the current lack of process in relation to securing a bi-lateral agreement between the HO scheme and the BTPA CARE scheme, it was agreed that it would be an appropriate time for the decision concerning allowing transfers into the Fund to be reviewed. As a result of the discussion a number of actions were agreed.
- 4.4 It was agreed that the letter that was due to be sent to the current HO Transferees would need to be reviewed to take into account the discussions and actions being taken.

Action:

- XPS to review and refresh the transfer advice provided in 2015 to reflect the discussions held.
- BTP to present a paper at the March 2020 meeting setting out the current process and presenting the options available to the Authority. The paper should also include whether the Authority should allow transfers to take place, along with setting out the risks to the current transfer arrangements.
- BTP to update the HO Transferee letters to reflect the earlier discussions.
- BTPA to confirm with RPMI not to change their current approach concerning transfer requests.

5. Police Staff Pension Scheme Update

Procurement

- 5.1 Following the approval from the Appointments and Remunerations committee the updated contribution structure was circulated to the four

remaining bidders. The bidders have since come back with their final offers. Based on this PS Aspire are drafting the preferred supplier recommendation report. Once this has been received it will be submitted to the PWG for review and endorsement prior to submission to the Authority. Once the provider has been approved there is a required 10 day stand still period where bidders will be notified of the outcome and have the opportunity to challenge the decision.

Members, DfT and Trustee Consultation Letters

- 5.2 The updated versions of the letters were circulated to the group and the consensus was that the letters appear overly complicated and long. The group agreed that they needed to be reviewed again to ensure that they were as concise as possible. Also for the letters for the members, that these were written in clear, understandable English. It was agreed that the CEO would review all of the letters and updated versions agreed and circulated as soon as possible.
- 5.3 XPS raised a concern in relation to the Trustee letter and the project timeline. The current implementation date for the new scheme was 1 June 2020, but XPS highlighted to the group that the engagement with the Trustee could take several months which would make the 1 June launch date unachievable. The project plan will be reviewed by the sub group and a new implementation date agreed as this date will need to be included in all of the consultation letters.
- 5.4 BTPA provided the group with an update in relation to identifying the more appropriate route to market for BTPA to use.

Action:

- CEO to review the consultation letters and provide updated versions.

6. Regulator / Valuation

- 6.1 The Group was provided with an update on the latest position concerning the current valuation of the Officers' Fund. Currently the valuation submission needs to be made by the 31 March 2020. Engagement is continuing with all relevant parties and legal advice is being sought concerning the latest position and what the consequences are of the valuation not being signed off by 31 March 2020. The next Management Committee meeting is due on the 18th March where the Trustee are planning to sign off the valuation. Should the signing be delayed, it was noted that a clear timeline would be required on what the next steps should be, along with understanding the potential consequences to the Fund and the Authority.
- 6.2 The CEO has written to both the DfT and RDG highlighting the Regulators concerns. BTP requested a copy of the letter.
- 6.3 The group asked whether a liability needed to be disclosed in the 2019/20 annual accounts concerning this issue and that this is a

potential future liability. The CFO was requested to confirm what would be needed from the NAO.

Action:

- BTPA to share with BTP a copy of the letter sent to the DfT for information.
- The CFO to confirm with the NAO if any future liability needs to be noted in the 2019/20 annual accounts

7. Any other business

Compulsory Retirement Age

- 7.1 BTP had received a letter from a current employee concerning the current compulsory retirement age which for Officers is currently 60, Senior Officers 65 and there is no set age for police staff. Concerns have been raised as to whether by having a compulsory retirement age it could be deemed as discrimination. Work was done historically on this, but following a short discussion it was agreed that any concerns need to be presented to the Appointments and Remunerations Committee and that it currently did not fall within the remit of the working group.

New Pension Bill

- 7.2 XPS provided a briefing to the group on the new pension bill. The new bill will give the Regulator additional powers and access to harsher sanctions, along with setting long term funding targets. A briefing on the new Bill will be circulated to members.

Action:

BTPA to circulate a copy of the XPS briefing to members of the working group.