

Minutes

Pensions Working Group

1st May 2020, 11:30 – 13:00
Held via Video and Tele-conference

The Forum
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Present:

Bill Matthews – Chair
Graham Evans
Beverley Shears

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

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: None

1. Welcome

Bill Matthews welcomed everyone and set out some rules for the meeting.

2. Minutes

The minutes from the March meeting were agreed pending some minor updates required.

3. Action updates

Updates against actions were captured in the Actions arising log.

4. Home Office Transferees – standing item (covers items 4i and 4ii)

- 4.1 The Chair acknowledge the action update that was presented by BTP in relation to the outstanding actions connected with Home Office transferees. BTP updated the group on the current situation and

highlighted the fact that since the last meetings they have received one grievance from a current serving Officer. The grievance centres around what information the Officer received and was told when they transferred into BTP. BTP will be appointing an external investigator to investigate the claim.

- 4.2 To date only 2 Officers had made an application to BTP to fund the external independent financial advice in relation to the transfer issues. Given the current situation with Covid-19 BTP requested if the 3 months timeframe for claims could be extended to BTPA, which was agreed and the new deadline for claims is 31 August 2020.
- 4.3 BTP have also instigated a short survey for its Home Office Transferees to gauge the level of knowledge on options available in relation to their pensions and whether they are / were aware that the CETV mechanism is available to them. BTP are aiming for a 15% return rate. From the initial responses it was pleasing to hear that four of the Officers who responded have left BTP to re-join a HO force but then transferred back to BTP.

5. Police Staff Pension Scheme Update

5i – Project update

- 5.1 PS Aspire provided an update to the group. Currently the project is on track to implement the new scheme on 1 October 2020. Consultation with the Trustee has begun. The project plan has allowed 3 months for consultation to take place prior to starting the consultation with the employees and staff unions. The Trustee has provided some very early feedback and comments which are currently being reviewed by BTPA and XPS.
- 5.2 Concerns were raised as to whether given the current situation with Covid-19 the 1 October implementation date was still feasible. Assurance was provided that this will still allow for the consultation to take place as currently planned. Currently the only risk to the implementation date concerns the current consultation with the Trustee.

5ii – Decisions

- 5.3 BTP presented a paper to the group seeking endorsement of two decisions concerning the administration of the new police staff scheme. The first was to agree the parameters as to when existing employees would initially be able to join the new DC scheme. BTP recommended allowing a 3 month window from the point of implementation. On an ongoing basis, BTP propose to allow an annual window being open from 1 October – 31 October. This was caveated that if an employee had a life changing event these rules would be relaxed. The main reason for allowing this activity to only occur at a set time each year was to minimise the administrative burden on BTP.

- 5.4 The group also raised concerns as to what level of support BTP provides its employees concerning pensions issues as it is a complex subject. BTP confirmed that they were currently in discussion with Police Mutual about them providing support in this area for all employees. This decision was welcomed by the group.
- 5.5 Following the discussion, the group endorsed the recommendations made by BTP in relation to allowing existing employees an initial 3 month window to join the new scheme, and then to only open up this opportunity annually except if an employee has a life changing event. Following a discussion, it was confirmed that existing members of the DB scheme could join the new DC scheme, and they would be given the option to do a CETV from the DB scheme into the new DC scheme. But they would only be able to be members of one scheme. This would need to be made clear in any communications and consultation material. It was also confirmed that staff could transfer other DC schemes into the new one if they so wished.

6. Regulator / Valuation

6i – Police Officer Valuation

- 6.1 BTPA provided the group with an update on the current position concerning the ongoing valuation of the Police Officer scheme. The valuation was not submitted by the statutory deadline of 31 March. Work is progressing with both the DfT, Trustees and Regulator.

6ii – Police Staff Valuation

- 6.2 XPS provided an overview of the current position in relation to the Staff scheme valuation. The valuation date is 31 December 2019 and early results are expected in the next few months. These results could be helpful in relation to the current consultation with the Trustee concerning the new Police Staff DC scheme and provide an indication of future costs for closing the existing scheme to new members.

7. Any other business

7i – Board Effectiveness and Review of Terms of Reference

- 7.1 All attendees were asked to provide feedback on the Terms of Reference as they were due for review. The updated Terms of Reference will be presented at the next meeting for approval.
- 7.2 As previously planned, a member provided feedback on the effectiveness of the meeting, and this is included at the end of these minutes.

7ii – Policy Decisions

- 7.3 BTP requested a direction of travel concerning pension related policy issues to try and reduce the number of individual approvals being submitted to the group. BTP provided two recent examples where a policy decision / direction could have assisted in resolving the issues

rather than having to refer them to the group for approval. The one example provided was in connection with the augmentation of part of a redundancy payment going into the individual's pension. The second was concerning higher grade duties and whether they are included or excluded for pension purposes noting the disparity between the police and staff scheme. Following a discussion, it was agreed that BTP could submit papers to future meetings raising policy issues, but it was acknowledged by the group that depending on the issue it may need referring to Appointments and Remuneration for a decision.

Action:

- BTPA to circulate the current Terms of Reference to the attendees for review and feedback.
- BTP to present a paper at the next meeting setting out the requested policy decisions with recommendations.

Meeting Feedback – Feedback provided by Bev Shears

The technology worked well for the meeting on the whole. It was inevitable it would take a little longer for attendees to “check-in” with each other. This did take longer than usual but I viewed this as positive. I did have some issues hearing other meeting attendees occasionally but that was a technology issue.

The Chair set out the rules of engagement at the start of the meeting which ensured that all the attendees were clear as to how the meeting would be structured and conducted, such as ensuring all attendees were on mute unless speaking to reduce background noise. This was clear and attendees adhered to them. The Chair cross-checked with the other attendees following discussions and ensured that there opportunities for follow-up on the issues being covered.

I welcomed the discussion under AOB and the examples Emma provided which helped with the policy discussion. Also the meeting finished well within the allocated time.