



SOUTH YORKSHIRE  
PENSIONS AUTHORITY

<b>Subject</b>	<b>Membership and Charing Arrangements</b>	<b>Status</b>	For Publication
<b>Report to</b>	Local Pensions Board	<b>Date</b>	25 July 2019
<b>Report of</b>	Fund Director and Clerk		
<b>Equality Impact Assessment</b>	Required	Attached	No
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## **1 Purpose of the Report**

- 1.1 To approve changes to the membership of the Board and determine arrangements for Charing the Board.
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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Support the proposed changes to the composition of the Board set out in paras 5.2 to 5.5 and the consequent changes to the constitution of the Board.**
  - b. **Note the appointment of the following Board Members**
    - i. **Cllr Tosh McDonald (Doncaster MBC) Employer**
    - ii. **Cllr Tony Damms (Sheffield CC) Employer**
    - iii. **Andrew Gregory, Scheme Member**
  - c. **Identify whether a member of the Board wishes to undertake the role of Chair for a term of three years from this meeting in line with the role description at Appendix A.**
  - d. **Note the intention of the Scheme Manager, in the event of a member of the Board wishing to undertake the role of Chair to appoint an independent adviser to assist the Board and specifically the Chair with its work.**
  - e. **Note the intention of the Scheme Manager should no member of the Board be willing to undertake the role of Chair to appoint an independent chair.**
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## **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

## **Listening to our stakeholders**

To ensure that stakeholders' views are heard within our decision making processes.

An active and engaged membership of the Board provides an additional route for ensuring that the Pensions Authority is aware of stakeholder views.

## **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

It is important that the Pensions Authority as Scheme Manager take steps to ensure that the Board operates in an effective way and the proposals set out in this report set out to achieve this objective.

## **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report seek to address the risk contained in the corporate risk register that the degree of instability in the membership of the Board impacts on its effectiveness in fulfilling its role leading to the risk of intervention by the Pensions Regulator.

## **5 Background and Options**

- 5.1 Previous reports to the Board have provided the opportunity to consider the composition and membership of the Board and the arrangements for the Chair. This report provides a further update following consultations with the District Councils and the resignation of a further Board Member.

### *Membership*

- 5.2 Following the recent resignation of Jill Thompson as a retired/deferred member representative the current membership of the Board is as follows:

Employers	Scheme Members
Cllr Tosh McDonald, Doncaster MBC*	Gary Warwick, GMB
Cllr Tony Damms, Sheffield CC*	Nicola Doolan-Hamer, Unison
Nicola Gregory, Minerva Learning Trust	Kevin Morgan, Unite
Rob Fennessy, SY Police	Andrew Gregory*
Vacancy – see Section 5.5	Vacancy – see Section 5.4

- 5.3 Those members marked \* have been appointed by the Pensions Authority as Scheme Manager since the last meeting following recent recruitment activity.
- 5.4 In terms of the remaining vacancies it is recommended that the Board support an amendment to the Constitution which will allow the remaining Scheme Member vacancy to be filled by any scheme member. The current arrangement where the vacancy is selected from the pensioner and deferred membership has proved a bar to recruitment and there does not appear to be any objective reason why an active member could not equally represent all category of members in a meaningful way.

5.5 The employer vacancy has previously been seen as representing smaller employers. However engagement with smaller employers has failed to identify any candidate with an interest in the role. It is therefore proposed to identify a senior HR/Finance manager from one of the District Councils to fill this position for a three year term. This will bring an additional and welcome operational perspective to the work of the Board. The recommendations at the head of this report provide for this course of action.

*Chairing Arrangements*

5.6 At its last meeting the Board indicated a strong desire that the Chair should come from amongst its members rather than being an independent. However, at that stage no member was prepared to undertake the role.

5.7 A role description for the Chair is attached at Appendix A and members of the Board are invited to consider whether any of them would be prepared to undertake the role for a term of three years (this term is proposed in order to provide the Board with some stability and continuity following a period of considerable instability). Should a member be prepared to undertake the role the Pensions Authority as scheme manager propose to appoint an Independent Adviser to the Board in order to ensure that the work of the Board is not being inadvertently driven by officers thus compromising the important degree of independence and distance that is central to providing effective scrutiny. The Adviser would work closely with the Chair in framing the agenda and work programme for the Board and act as a mechanism for providing the Pensions Authority with assurance that the Board is operating effectively.

5.8 Should no member of the Board wish to take on the role of Chair then the Pensions Authority as Scheme Manager will take steps to appoint an independent chair with the aim of having them in place for the next meeting of the Board. Whichever route is taken (independent adviser or independent chair) then steps will be taken to involve representatives of the Board in the appointment process.

**6 Implications**

6.1 The proposals outlined in this report have the following implications:

Financial	Any costs incurred in relation to either an independent adviser or chair can be accommodated within the budget available to the Board.
Human Resources	
ICT	None apparent
Legal	
Procurement	

**George Graham**

**Sarah Norman**

**Fund Director**

**Clerk**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>