



**SOUTH YORKSHIRE
PENSIONS AUTHORITY**

**South Yorkshire Local
Pension Board
ANNUAL REPORT 2019/20**

Foreword

Welcome to the 5th annual report of the South Yorkshire Local Pension Board (LPB).

The Board seeks to assist the South Yorkshire Pensions Authority to maintain effective and efficient administration and governance. The LPB comprises in equal numbers, scheme members, which includes the three recognised trade unions, and employer representatives.

We have seen a number of changes this year with Jill Thompson a founder member and former Chair resigning and the district council members rotating which meant the loss of Cllr Phillip Lofts. I would like to thank them for their commitment and service on our Board which has contributed to its involvement within the governance structure of the Authority as it stands today. We also filled all the vacancies on the Board and welcomed employee representatives Andrew Gregory and David Webster and employer representatives Cllr Tony Damms, Cllr Tosh McDonald and Steve Loach.

The Board has also appointed an Independent Advisor, Clare Scott, who will work closely with myself 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.

Finally, without the commitment of all the members of our Board we would not be where we are today so a huge thank you to you all for your continued diligence and support.

Garry Warwick, Chair



Membership

Employee Representatives

Garry Warwick (GMB) - Trades Union (Chair)

Kevin Morgan (Unite) - Trades Union

Nicola Doolan (Unison) - Trades Union

Andrew Gregory - LGPS Member

David Webster – LGPS Member

Employer Representatives

Rob Fennessy (South Yorkshire Police) - 'Other Large Employer'

Nicola Gregory– Academy

Councillor Tony Damms - Local Authority Member (Sheffield)

Councillor Tosh McDonald - Local Authority Member (Doncaster)

Steve Loach – Local Authority Senior Manager

Member Attendance

Attendance at the LPB meetings has been positive with members and employer representatives freely giving their time and commitment.

	25 July 2019	17 Oct 2019	11 Dec 2019	13 Feb 2020
Cllr Tony Damms	✓	✓	✓	
Nicola Doolan-Hamer	✓	✓	x	
Rob Fennessy	✓	✓	x	
Andrew Gregory	x	✓	✓	
Nicola Gregory	✓	✓	✓	
Steve Loach		✓	✓	
Cllr Tosh McDonald	x	x	x	
Kevin Morgan	x	✓	✓	
Garry Warwick	✓	✓	✓	
David Webster		✓	✓	

Role of the LPB

The role of the Local Pension Board as defined by Sections 5(1) and (2) of the Public Service Pensions Act 2013 is to:

- Secure the effective and efficient governance and administration of the LGPS for the South Yorkshire Pension Fund;
- Provide the Scheme Manager with such information as it requires to ensure that any member of the Local Pension Board or person to be appointed to the Local Pension Board does not have a conflict of interest;
- Ensure the South Yorkshire Pension Fund effectively complies with the Code of Practice on the Governance and Administration of Public Service Pensions Schemes issued by the Pensions Regulator and is effectively managed and administered in compliance with the Code.

Work of the Board 2019/20

The Board held four meetings during the year.

The Board continued to develop their Work Programme. This is a fluid document and one which evolves as Members knowledge and understanding of their roles evolve and also as situations arise within the Authority that require the Boards attention/consideration. Members of the Board receive all agenda papers issued to Members of the Pensions Authority.

During the year the Board has:

- **Annual Fund Member Event** – Members of the Board were invited to the Annual Fund Member Event in Sheffield.
- **Guaranteed Minimum Pension Reconciliation** – The Board has been kept informed on the progress of this exercise.
- **Pensions Administration** – The Board received quarterly Administration performance reports.
- **Investment Pooling** – Considered the accountability arrangements in place within SYPA in relation to the Border to Coast Pensions Partnership.
- **Conflicts of Interest** – The Board reviewed their Conflicts of Interest Policy.
- **Breaches Complaints and Appeals** - The Board received quarterly reports on breaches, complaints and appeals.
- **Board Membership** – Board membership was formalised and the Constitution revised to reflect this.
- **Contribution Payments** – Received an update on the procedures for monitoring contributions payments.
- **Funding Strategy Statement** – Reviewed the draft Funding Strategy Statement.
- **Data Quality Improvement** – The Board monitored the Data Quality Improvement Plan.
- **Benchmarking** – Considered the outcomes of two administration benchmarking exercises.
- **The Pensions Regulator** – Received updates on the submission of TPR's Annual Scheme Return and the Public Service Governance and Administration survey,

Training and Development

The Board has in place a Training and Development Strategy similar to that of the Authority and both bodies have acknowledged the requirement to undertake training and development in tandem for mutual benefit and to provide value for money in training delivery.

The Board has recently undertaken a Learning and Development needs analysis exercise the results of which will be evaluated and used to inform the 2020/21 Training and Development Strategy.

During the year, Board Members have been offered the following training/development support:

- LGA Fundamentals Training
- Induction/Refresher Session
- BCPP Conference
- CIPFA LPB Members Annual Event
- Authority Seminar – Border to Coast Pensions Partnership
- Authority Seminar – Valuation
- CIPFA LPB Members’ Seminar
- Investment Strategy Seminar
- Corporate Strategy and Budget Seminar
- LGA Fundamentals Training
- Understanding Local Pension Board Responsibilities
- CIPFA/Barnett Waddingham Seminar

Member attendance at training/development events was as follows: (it should be noted that some members were appointed later in the year and places at some events were limited)

	Cllr T Damms	N Doolan-Hamer	R Fennessy	N Gregory	A Gregory
SYPA Induction/Refresher		✓			
BCPP Seminar		✓			
SYLPB Induction/Refresher	✓	✓	✓	✓	
BCPP Conference		✓			
Valuation Seminar	✓	✓	✓		✓
Investment Strategy Seminar	✓				✓
Corporate Strategy & Budget Seminar		✓			
Local Pension Board Responsibilities		✓		✓	✓
CIPFA Spring Seminar			✓		

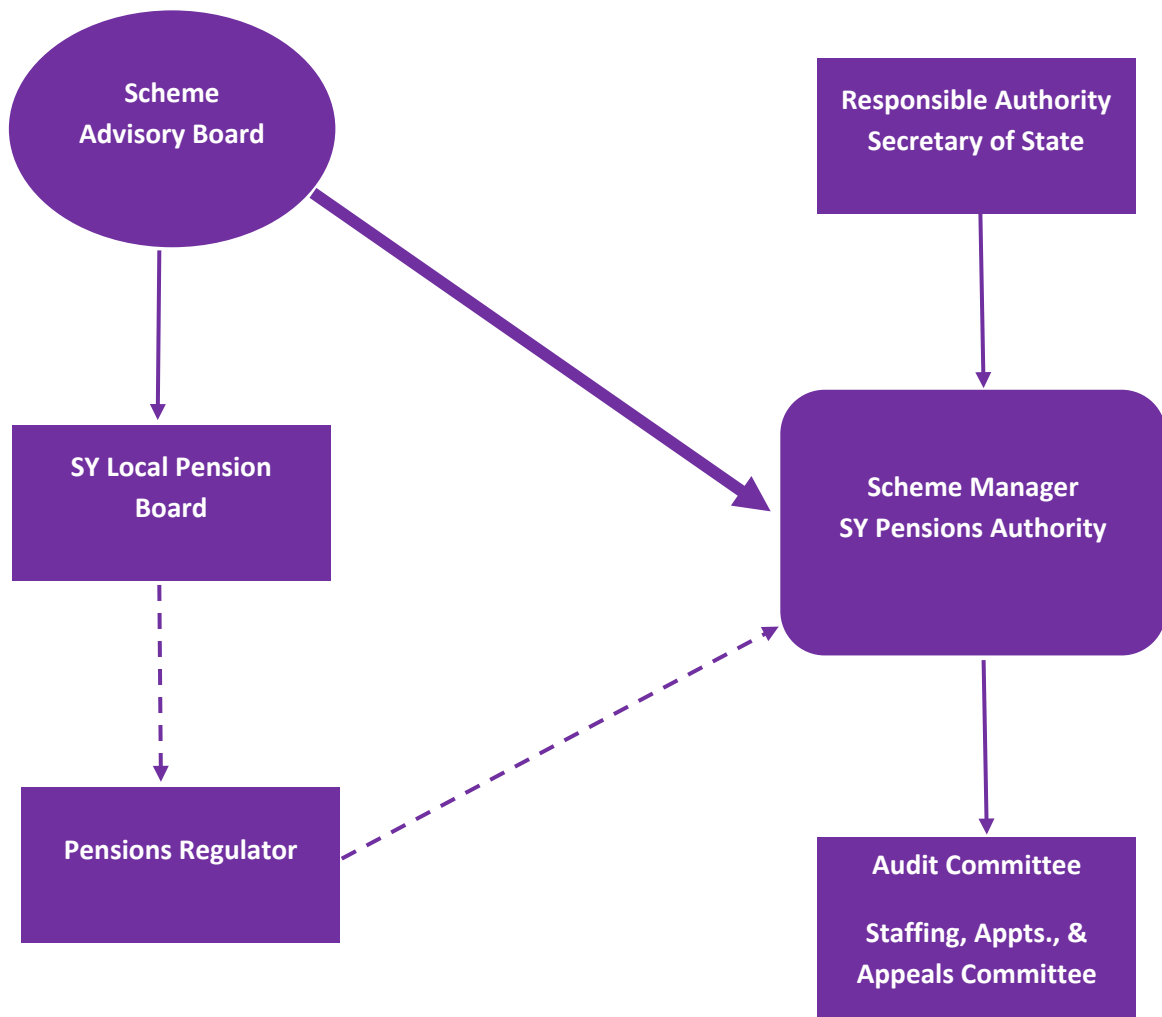
	S Loach	Cllr T McDonald	K Morgan	G Warwick	D Webster
SYPA Induction/Refresher				✓	
BCPP Seminar				✓	
SYLPB Induction/Refresher		✓	✓		✓
BCPP Conference				✓	
Valuation Seminar				✓	✓
Investment Strategy Seminar				✓	
Corporate Strategy & Budget Seminar				✓	✓
Local Pension Board Responsibilities	✓		✓	✓	✓
CIPFA Spring Seminar				✓	✓

Future Plans

We aim to:

- Review the Authority's compliance with the Pensions Regulator's Code of Practice.
- Review the Authority's risk management approach.
- Communications – increased focus on the quality and frequency of the Authority's communications with scheme members and employers.
- Monitor governance arrangements both within the Authority and the Border to Coast Pensions Partnership.
- Receive and make recommendations on data improvements through the newly designed data scoring model.
- Introduce mandatory training for all members of the LPB.
- Work closely with the other Local Pension Boards within our Pensions Partnership to share best practice.

Governance Structure



Budget 2019/2020 (to end Quarter 3)

Local Pension Board	2019/20 Budget	2019/20 Q3 Forecast	2019/20 Q3 Forecast Variance	2019/20 Q3 Forecast Variance
	£	£	£	%
Independent Advisor	3,500	3,500	0	0.00%
Room hire & catering	1,000	350	(650)	(65.00%)
Printing and Postage (Agendas etc.	1,000	500	(500)	(50.00%)
Member Travel expenses (Meetings)	1,000	300	(700)	(70.00%)
Insurance	2,500	0	(2,500)	(100.00%)
Training and associated travel and subsistence	6,000	2,625	(3,375)	(56.25%)
Total	15,000	7,275	(7,725)	(51.50%)

For future years the provision for insurance is no longer required and this together with the re-allocation of historically underspent budgets has allowed resources to be identified to meet the costs of the Board's new independent advisor. The Board recommended a total budget of £14,000 for 2020/21 which was approved.