

**SOUTH YORKSHIRE PENSIONS AUTHORITY**

**LOCAL PENSION BOARD**

**28 JANUARY 2021**

PRESENT:

N Doolan-Hamer (Unison), R Fennessy (South Yorkshire Police), D Gawthorpe (Unite), A Gregory (Scheme Member Representative), N Gregory (Academy Representative), S Loach (Barnsley MBC), G Warwick (GMB) and D Webster (Scheme Member Representative)

Officers: J Bailey (Head of Pensions Administration), G Graham (Director), G Kirk (Monitoring Officer) and G Richards (Senior Democratic Services Officer)

C Scott (Independent Advisor to the Board)

Apologies for absence were received from Councillor M Chaplin, Councillor T McDonald and M McCarthy

1 **WELCOME AND APOLOGIES**

The Chair welcomed everyone to the meeting.

Apologies were noted as above.

2 **ANNOUNCEMENTS**

None.

3 **URGENT ITEMS**

None.

4 **DECLARATIONS OF INTEREST**

None.

5 **ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS**

None.

6 MINUTES OF THE MEETING HELD ON 15 OCTOBER 2020 AND ACTIONS AND MATTERS ARISING

RESOLVED – That the minutes of the meeting held on 15<sup>th</sup> October 2020 be agreed as a true record.

7 REGULATORY AND POLICY UPDATE

A report was submitted which provided an update on regulatory and policy developments.

The report detailed updates on:

- The £95k Cap.
- Employer Flexibilities.
- McCloud.
- Reporting the Impact of Climate Change.
- Statutory Guidance on Pooling.
- Changes to Local Authority Audit Arrangements.

With regard to the £95k cap, G Graham confirmed that no challenges on the Authority's policy position had been received so far. It appeared that employers were holding off on early retirement and severance programmes until the position became more clear. However, with the judicial review not scheduled until the end of March, it appeared there would be no resolution until the new financial year which could cause employers problems. It was expected that there would be challenges before the end of the financial year. The line the Authority had taken was that it was least likely to have to recover money from a scheme member.

In response to a question from the Chair, J Bailey confirmed that the Authority was theoretically sufficiently resourced to deal with the extra work arising from the McCloud judgement but this would be dependent on how effective the pensions administration system was in terms of automating the recalculation of benefits and avoiding the need for manual calculations. LGPS funds were working with the systems provider on this issue.

RESOLVED – That the report be noted.

8 QUARTERLY PENSIONS ADMINISTRATION UPDATE

The Board considered a report which provided an update on administration performance issues for the period 1<sup>st</sup> October 2020 to 31<sup>st</sup> December 2020.

The report sought to make Board members aware of the main areas of administration performance and any topical issues relevant to the reporting period.

### Staffing

The report contained a table of joiners and leavers for the administration service during the period. As expected, now that the majority of vacant posts had been filled, there were very few movements during Quarter 3.

In terms of sickness absence, levels had increased significantly compared with the first two Quarters, much of it was directly related to increases in long-term absence of three members of staff. Two had since returned but one was likely to remain absent for the longer term.

With regard to staff wellbeing, J Bailey gave details of measures the Authority had introduced to ease pressures during the current lockdown including reduced hours for the Customer Centre and generally more flexible working hours.

### Case Work Performance

Members were informed that the reporting of performance had been updated so that like-for-like periods could be compared. A table within the report showed the casework volumes for the last two quarters compared with the previous quarter and also compared with the corresponding quarter for the prior year.

Overall volumes of casework processed had been pretty consistent with Quarter 2 as staff had adapted to working from home again.

Performance within the service standards had dipped slightly when compared to Quarter 2 but remained comparable with the same period the previous year despite an increase in case volumes processed.

### Statutory Disclosure Reporting

The Board had previously requested additional information about reporting performance against statutory disclosure requirements. It was noted that Appendix A showed the Quarter 3 report for most of the areas covered under the various disclosure regulations. In general the data showed 100% compliance in terms of areas that SYPA could control. Officers would continue to develop the reporting to cover all areas.

### Employer Performance

Members were reminded that there had been some concern that Covid-19 would impact the ability of some employers to deliver the monthly data submissions. However, this had not been the case and submissions had continued to be provided. A table within the report showed the current position of monthly returns received in respect of the last three months.

### Individual Query Employer Reporting

At the last Board meeting members requested that the reporting be updated to reflect the actual performance of key employers for each quarter so that trends

could be more effectively monitored. Appendix B to the report broadly showed the performance in recent quarters for the employers or payroll providers with the highest volume of queries. It was noted that further development work was needed with the employer query system to provide more accurate reporting.

### Customer Satisfaction

A table within the report showed overall satisfaction levels from respondents to the survey issued to members who had retired in August, September and October 2020.

The percentage of members who were in the green category remained above 90% as per previous surveys. Analysis of the 6% of respondents who were dissatisfied had highlighted that better communication was expected when delays occur obtaining information from employers.

With regard to the Customer Centre, an electronic survey had been issued to 2,986 members who had phoned the Customer Centre during September and October 2020. Over 90% of respondents had been 'very satisfied' or 'satisfied'.

A separate survey carried out on members who had used the Live Chat facility during August, September and October 2020 showed that, again, over 90% of respondents had been 'very satisfied' or 'satisfied'.

Of the 7% that were dissatisfied, members who left comments reported logging in issues with the online portal. As well as improving instructions a training session was also offered but this had not generated any interest.

In answer to a question from N Gregory, J Bailey confirmed that the training had been publicised through the newsletter and in future also by email.

N Gregory queried whether there was anything employers could do to assist. At a recent meeting it had been apparent that financial security was important for staff wellbeing but that people didn't think about pensions until they were close to retirement.

J Bailey commented that the Authority was always open to speak to members to raise awareness of the Scheme subject to there being sufficient interest. On the issue of employers supporting online registration, a flyer was being produced for employers to put on their intranet and circulate to staff on the importance of registering for the portal. This was due to go out in the next employer newsletter which would be sent out in the next few days.

Efforts were ongoing to encourage all scheme members to sign up to use the online portal. Appendix C to the report showed the number of members who had registered for the portal since January 2019.

In answer to a question from C Scott, J Bailey confirmed that employers were surveyed annually; this was due in Q4 and the results would be reported to the Board in due course.

### Annual Benefit Statements

At the last meeting, officers had agreed to update members on the 'lessons learnt' review of the 2020 Annual Benefit Statement exercise. The summary report of the review was attached at Appendix D to the report. The Board would be updated at the next meeting in April on the progress made against the actions completed ahead of the 2021 exercise to provide assurance.

J Bailey confirmed that the employer newsletter would be circulated to the Board.

RESOLVED – That the report be noted.

## 9 REVIEW OF BREACHES, COMPLAINTS AND APPEALS

A report was submitted which updated members on reported breaches and provided details of complaints and appeals for the period 1<sup>st</sup> October to 31<sup>st</sup> December 2020.

It was noted that there had been one individual data breach during the period. The Breaches Log now had an additional area showing instances of potential cyber security incidents, it was noted that there had been one 'near miss' incident during the period. Full details of these were in the Breaches Log attached at Appendix A to the report.

Appendix B provided a summary of complaints for the period. As requested by members of the Board, the summary report now included commentary as to whether complaints received were indicative of a wider process issue which may need review/improvement; a trend analysis had also been included.

It was noted that three complaints had been received during the period, full details were contained in Appendix B.

During the period six Internal Dispute Resolution Procedure appeals were determined none of which were upheld.

RESOLVED – That the Board:

- i) Note the breaches summary.
- ii) Note the outcome of complaints received.

## 10 DATA QUALITY IMPROVEMENT PLAN UPDATE

A report was considered which provided an update on the latest iteration of the Data Quality Improvement Plan and the data scoring provided to the Pensions Regulator.

Members were reminded that since 2018 LGPS funds had been required to report on the quality of common and conditional data (scheme specific) in the submission of the annual Scheme Return to the Pensions Regulator (TPR).

The data scores reported to TPR for the current year and previous two years were shown within the report. It was noted that, although there had been progress in improving the data scores, there had been a limit to the amount of resource dedicated to data improvement measures over the last twelve to eighteen months. The Data Quality Improvement Plan would address this challenge over the next six months.

Members were informed that the Plan was maintained by the Pensions Technical Advisor and Appendix A (common data) and Appendix B (conditional data) were provided as a summary extract of the current plan which highlighted where individual teams had ownership of specific areas.

The key areas of focus for the next few months had been highlighted on the summary plan and progress against the priorities would be reported to future meetings of the Board.

RESOLVED – That the Board note the updated Data Quality Improvement Plan summary which would be presented to the Board every six months.

## 11 LOCAL PENSION BOARD BUDGET

A report was submitted which set out the proposed Local Pension Board budget for 2021/22.

It was noted that proposed budget was unchanged from the current year at £14,000. A table within the report set out the current forecast budget outturn for 2020/21 and the proposed budget for 2021/22.

Members were informed that the budget for member training had been historically underspent and were encouraged to take up training opportunities; resources had been reallocated for “bite size” sessions alongside Board meetings delivered initially by the Independent Advisor and officers.

The budget for the Board was included within the Authority’s overall budget for the year; this was presented to the Authority on 21<sup>st</sup> January 2021 for approval. The budget would normally be presented to the Board prior to the Authority but was affected by a change to the Board’s meeting cycle. In future, the Board’s draft budget would be presented to the Board at its October meeting prior to consideration by the Authority.

Members recognised the importance of training and acknowledged that they had a responsibility to accept what was offered as far as possible. It was also thought that the reduction of costs for printing and postage was a positive in environmental terms.

G Graham informed the Board that it was the intention to implement a version of the current agenda management system which would enable members to download an 'app' to their device to download meeting papers enabling paperless meetings.

With regard to training, the Chair recognised the importance of this and felt that, in particular as discussed in the pre-meet, some Responsible Investment training would be useful.

G Graham agreed and commented that it was the intention to devote a future Seminar to the subject. In addition, an update to be circulated tomorrow, contained details of a free CIPFA webinar on responsible investment in the LGPS which members may find useful.

C Scott agreed that an understanding of Responsible Investment was important but for the Board the key issues were the process and the governance around the decision making process.

C Scott would add a section on training to the upcoming Effectiveness survey.

RESOLVED – That the Board:

- i) Note the draft budget, totalling £14,000, for the Board for 2021/22.
- ii) Note that the budget had been presented to the Authority for approval.

## 12 FEEDBACK ON TRAINING

Members' individual training records had been circulated to check for accuracy as these would be included in the Annual Report. Any members who had been missed would be rectified immediately.

In response to a query from N Gregory, it was confirmed that relevant training from other sources (e.g. employers) could be included in training records.

S Loach recognised the importance of training but also highlighted the difficulty some members who were involved in Covid-19 response positions had in finding time to attend training events in the current circumstances.

G Graham acknowledged this and confirmed that the situation would be reflected in the Annual Report.

## 13 REVIEW OF EFFECTIVENESS

C Scott commented that it was important for the Board to periodically reflect on how they were working both as a Board and individually, whether the structure was right and what, if anything, could be improved.

To this end an effectiveness survey had been developed and would be circulated to Board members in mid-February with an informal meeting to be arranged in March to discuss the findings and prepare a report for the April meeting of the Board.

14 ANY OTHER BUSINESS

D Webster commented that there were two items on the Work Programme that had not been include in the agenda, namely the Risk Register and feedback from Authority meetings.

G Graham responded that the Risk Register would be on the agenda for the next meeting of the Board which would be after the next scheduled detailed review.

The feedback from Authority meetings would be added as a standing item on each agenda.

CHAIR