

SOUTH YORKSHIRE PENSIONS AUTHORITY

16 FEBRUARY 2012

PRESENT: Councillor M Lawton (Chair)
Councillors; D Barker, A Sangar, R Wraith (Vice-Chair),
D Baker, T Hussain, E Butler, B Ford, K Goultly and B Perrin

Trade Unions: G Boyington (Unison) and G Warwick (GMB)

Officers: G Chapman (Head of Pensions Administration),
L Cooksey (Member Services Manager), J Hattersley (Fund
Director) and B Wilkinson (Clerk & Treasurer)

Apologies for absence were received from Councillors
B Johnson and P Wootton

1 APOLOGIES

Apologies were noted as above.

2 ANNOUNCEMENTS

None.

3 URGENT ITEMS

None.

4 ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS.

RESOLVED – That all items be considered in the presence of the public and press.

5 DECLARATIONS OF INTEREST.

None.

6 MINUTES OF THE MEETING HELD ON 12 JANUARY 2012

RESOLVED – That the minutes of the meeting of the Authority held on 12 January 2012 be agreed and signed by the Chair as a correct record.

7 MINUTES OF THE INVESTMENT BOARD HELD ON 8 DECEMBER 2011

RESOLVED – That the minutes of the meeting of the Investment Board held on 8 December 2011 be received.

8 WORK PROGRAMME

The Authority noted its current work programme and Members requested that officers ensure that none of the proposed meeting dates clash with meetings of Barnsley Council.

RESOLVED – That the contents of the report now submitted be noted.

9 SECTION 41 MEMBER FEEDBACK FROM DISTRICT COUNCILS

None.

10 FINANCIAL REGULATIONS

A report of the Clerk and Treasurer was submitted seeking approval to amendments to the Authority's Financial Regulations.

Attached to the report was a copy of the Authority's current Financial Regulations which showed the amendments recommended by officers to Members to:

- reflect changes in the role of the Fund Director since his designation as Head of Service;
- amend titles where appropriate;
- include statements relating to the adoption of recommendations in the CIPFA Code of Practice – Public Sector Pensions Finance Knowledge and Skills; and
- make minor improvements.

RESOLVED – That the Authority approves the amended Financial Regulations appended to the report now considered.

11 MEMBERS' TRAINING AND EDUCATION: EXTERNAL CONFERENCES AND SEMINARS

A report of the Clerk and Treasurer was submitted informing the Authority of the following training opportunity: LGPS Annual Trustees Conference – Looking Ahead to 2014 and What That Might Bring. Whilst details of the conference programme had yet to be finalised, it was likely that it would focus heavily on the LGPS 2014 project.

The conference would take place on 14 and 15 June 2012 and would be held in Blackpool.

RESOLVED – That any Member interested in attending the conference should inform officers in the Joint Secretariat as soon as possible.

12 TREASURY POLICY AND STRATEGY STATEMENT 2012/13

A report of the Clerk and Treasurer was submitted seeking Members' approval of the treasury management procedures and strategy followed by the Authority. The Fund Director gave an update on the position regarding the Authority's deposits with Icelandic banks and their UK subsidiaries.

RESOLVED – That the Authority:

- i) Adopts the Annual Investment Strategy and recommendations set out in Appendix I of the report now considered.
- ii) In accordance with Section 3(1) of the Local Government Act 2003, approves an Affordable Borrowing Limit on a rolling basis for the forthcoming year and two successive years, as outlined in Appendix II of the report now considered, of £250,000 being the maximum amount the Authority can afford to borrow; and
- iii) Keeps the above under review.

13 FUNDING STRATEGY STATEMENT REVIEW

A report of the Clerk and Treasurer was submitted requesting the Authority to adopt a slightly revised version of the Funding Strategy Statement. The Authority noted that the Funding Strategy Statement had to be reviewed every 3 years; however it was appropriate for the Authority to monitor the progress of the strategy between valuations in case any significant event had taken place that might impact on or warrant a change in the funding strategy.

The Statement had been reviewed and it had been determined that no changes were required other than to incorporate the revised customised asset allocation benchmark which became effective in October 2011. A revised version of the strategy had been set out as an appendix to the report now considered. The next full review would take into account preparations for the 2013 actuarial valuations. It was likely that there would be significant changes because it would need to reflect the restructuring of the Scheme from April 2014.

RESOLVED – That the Authority agrees to adopt the revised Funding Strategy Statement from March 2012.

14 ADDITIONAL VOLUNTARY CONTRIBUTIONS: POSITION STATEMENT

A report of the Clerk and Treasurer was submitted which provided the Authority with information on the providers, funds' performance and member numbers associated with the AVC facilities provided to LGPS members by the South Yorkshire Pension Fund.

The Authority noted that at the Member Advisory Panel meeting held in November 2011, a paper was requested that set out the current position of the Authority in relation to its Additional Voluntary Contribution facility. The Authority noted that the Authority only acted as a facilitator of AVCs. The arrangements in place were a matter for the provider and the individual members. The Authority was not responsible for the selection or performance of funds.

The Authority did not recommend:

- That AVCs were beneficial, suitable or appropriate.
- That either Prudential or Scottish Widows were suitable or appropriate companies in which to invest.
- That any of the funds and investment routes available were suitable or appropriate for members.

The Authority did recommend that members use the free Independent Financial Advice Service.

RESOLVED – That the report be noted and that it be referred for further consideration to the next meeting of the Pensions Advisory Panel.

15 CONSULTATION STRATEGY: MEMBER SATISFACTION RATING

A report of the Clerk and Treasurer was submitted which informed the Authority of the current level of customer satisfaction amongst Scheme members and requested the Authority to set a performance target for 2012/13.

The Authority noted that where officers had carried out a survey and asked for an overall customer satisfaction rating that:

- 48.6% of customers were very satisfied;
- 50.4% of customers were satisfied;
- 0.6% of customers were dissatisfied;
- 0.4% were very dissatisfied

with the service they received.

RESOLVED:

- i) That, whilst acknowledging that the satisfaction figures achieved were excellent, Members would wish to see a target of 55% of customers being very satisfied being achieved in the next financial year, whilst seeing no deterioration in the overall customer satisfaction level.
- ii) That Members thank staff of the Pensions Authority for the excellent work they did which was reflected in the excellent satisfaction levels recorded in the customer satisfaction surveys.

16 LGPS REFORM PROPOSALS UPDATE

The Authority noted that although negotiations are continuing, there had been no update on their progress. Officers would be attending a national meeting in late February that might provide an insight into the progress made so far.

17 SOFTWARE SALES

A report of the Clerk and Treasurer was submitted seeking approval in principle to the sale of in-house developed pensions systems to other LGPS Administering Authorities.

RESOLVED –

- i) That the Authority agrees as a matter of principle, the sale of internally developed goods and services to other Local Authorities on a commercial basis.

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- ii) That staff be congratulated on their innovation that has opened up the possibility that in-house developed pensions systems could potentially be sold to other LGPS Administering Authorities.

18 WRITE OFFS

None.

19 ADDITIONAL MEETING OF THE CORPORATE PLANNING AND GOVERNANCE BOARD

RESOLVED – That Officers be requested to arrange an additional meeting of the Corporate Planning and Governance Board.

CHAIR