

**SOUTH YORKSHIRE PENSIONS AUTHORITY**

**CORPORATE PLANNING AND GOVERNANCE BOARD**

**17 MAY 2012**

PRESENT: Councillor R Wraith (Chair)  
Councillors: D Baker, E Butler and P Wootton

Officers: G Chapman (Head of Pensions Administration),  
L Cooksey (Member Services Manager), J Hattersley (Fund  
Director), M Oades (Deputy Clerk & Monitoring Officer),  
B Wilkinson (Clerk & Treasurer), M Wilkinson (Internal Audit  
Manager) and R Winter (Head of Internal Audit)

G Boyington (Unison) and G Warwick (GMB)

J Prentice (Audit Commission)

Councillor M Lawton (Observer)

Apologies for absence were received from Councillor D Barker,  
Councillor B Ford and L Wild (Audit Commission)

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 agenda item 19 “Treasury Management: Update” be  
considered in the absence of the public and press.

5 **DECLARATIONS OF INTEREST**

None.

6 MINUTES OF THE MEETING HELD ON 7 MARCH 2012

RESOLVED – That the minutes of the meeting of the Board held on 7 March 2012 be agreed and signed by the Chair as a correct record.

7 WORK PROGRAMME

RESOLVED – That the Work Programme now submitted be noted.

8 BUDGET MONITORING

A report of the Clerk and Treasurer was submitted advising Members of the current expenditure levels within the Authority against the approved budget. The report informed Members of the position of the Authority relative to budgets and gave details of areas where they may be significant over or underspends.

The Board noted that in November 2011 the Authority had approved a revised budget for 2011/12 of £5,176,000 to maintain current levels of service.

The report showed the expenditure heads in the way that they were presented to the Authority when determining the budget in November and reporting the final outturn in July.

The Board noted the expenditure to 31 March 2012. The final expenditure could not be confirmed until the 2011/12 annual accounts were finalised. The values given were as at 30<sup>th</sup> April 2012. Final Outturn reports would be produced as normal once final accounting was complete.

The Clerk and Treasurer reminded the Board that a schedule showing the major variations was attached to the report. The Board noted that the overall budget was underspent as at 31 March 2012 however, taken as a whole, spending was within 5% of budget for both Administration and Investments. Full details of variations would be presented at the Authority's July 2012 Corporate Planning and Governance Board meeting.

RESOLVED – That the report be noted.

9 QUARTERLY PERFORMANCE FRAMEWORK REPORT 2011/12

This report was a streamlined version of the framework report which was intended to provide a snapshot of the results of key performance areas linked to the corporate objectives. As this was the first issue of a report of this type, Members were asked to comment on the suitability of the report and any additional performance indicators they may wish to see. The period covered by the report was Quarter 3 2011/12. The Board noted the following headline figures:

Pensions Administration

- 99.8% of transactions and enquiries completed within target time, against a target of 97%.

Investments

- The Fund value increased from £4196.3m (previous quarter) to £4449m.

The Chair informed the meeting that he was pleased to see that the Service had gained and retained external recognition through quality standard awards such as the Charter Mark and Customer Service Excellence.

RESOLVED - That the report be noted.

10 RISK REGISTER

A report of the Clerk and Treasurer was submitted presenting the Authority's Risk Register to the Board for consideration.

The Board noted that the Risk Register was last reviewed at its meeting in February 2012. The Board noted that there had been no significant changes made to the Risk Register.

RESOLVED – That the report be noted.

11 INTERNAL AUDIT PROGRESS REPORT

A report of the Head of Internal Audit was submitted which allowed the Board to consider the work completed by the Internal Audit Team during the final quarter of the 2011/12 financial year and the outstanding recommendations as at 31<sup>st</sup> March 2012 from the reports issued prior to September 2011.

RESOLVED – That the report be noted.

12 INTERNAL AUDIT ANNUAL REPORT 2011/12

A report of the Head of Internal Audit was submitted which presented the Internal Audit Annual report for consideration by the Board. The Board noted that the report included:

- A summary of the actual position for the year against the plan.
- An outline of the work undertaken to review the financial control and other internal control arrangements.
- The opinion on the internal control framework that had been taken into account in preparing the Annual Governance Statement for 2011/12 (which was on today's agenda).
- The Internal Audit Team's performance measures, including an acknowledgement of completion of the self-assessment of the Team's position in relation to the requirements of the CIPFA Code of Practice.

The Board acknowledged the difficult circumstances in which the Internal Audit Team had been operating in.

The Head of Internal Audit, R Winter, reported that on the basis of the systems reviewed and reported on during the year by the Team, there were no significant

control issues to be raised relating to 2011/12. It was considered that the Authority's overall financial and other controls environments were good. The Board noted however, that it was important that attention was given to the remaining National Fraud Initiatives report/matches as the 2012 exercise would commence in August/September 2012.

Issues brought forward into this year via an External Audit Action Plan related to resolving the accuracy of pay and contributions data within the four District Councils had in the main been completed or had been overtaken by events.

The Chair thanked the Head of Internal audit for the report, and commented that officers had worked very hard to ensure that the Team had been able to achieve so much.

Councillor Lawton queried whether Members could be confident that the reports which needed to be done were the ones which Internal Audit thought were the most serious? R Winter reminded the Board that officers were operating to a tight timescale as the Team were subject to quite exacting performance standards.

RESOLVED – That the report be noted.

13 AUDIT COMMISSION ANNUAL PLAN 2011/12

J Prentice presented the Board with the Audit Commission's Audit Plan for 2011/12.

The report set out the work which the Audit Commission proposed to undertake for the audit of financial statements and the value for money conclusion 2011/12.

RESOLVED – That the report be noted.

14 CORPORATE PLANNING AND GOVERNANCE BOARD - AUDIT UPDATE

The Committee considered the Audit Commission Annual Plan 2011/12. The plan set out the work for the 2011/12 audit. The plan was based on the Audit Commission's risk based approach to audit planning. The Chair acknowledged that the current arrangements had worked well.

RESOLVED – That the report be noted.

15 ANNUAL GOVERNANCE STATEMENT

A report of the Clerk and Treasurer was submitted which allowed the Board to consider the findings of the Authority's governance arrangements.

The Board noted that under the Accounts and Audit (England) Regulations ("the Audit Regulations") the Authority was required to conduct a review at least once a year of the effectiveness of its system of internal control and approve an Annual Governance Statement prepared in accordance with proper practices. The review must include a review of the effectiveness of internal audit.

Authorities were encouraged to undertake a review of their system on internal control as part of an annual review of the effectiveness of governance framework. The findings of the annual review must be considered by the Authority or a committee of the Authority. The Authority had delegated this function to the Corporate Planning and Governance Board.

Where the review identified significant governance issues, these must be included in the Annual Governance Statement together with the actions taken, or proposed to deal with these issues.

The Annual Governance Statement was published with the annual statement of accounts and related to the governance framework as it applied during the year covered by the accounts. Thus, in 2012 the Authority would publish an Annual Governance Statement which considered the governance arrangements in place in the year 1 April 2011 to 31 March 2012. The draft Annual Governance Statement for 2011-12 was attached at Appendix A to the report now considered.

RESOLVED – That the Board agree to:

- i) Note the findings of the annual review of the Authority's governance arrangements.
- ii) Note that the review had not identified any significant governance issues which should be included in the Annual Governance Statement 2011-12.
- iii) Approve the draft Annual Governance Statement attached at Appendix A of the report now considered.

16 ALTERNATIVE DATE FOR THE NEXT MEETING OF THE CORPORATE PLANNING AND GOVERNANCE BOARD

A report of the Clerk and Treasurer was submitted requesting the Board to change the date of the next meeting of the Corporate Planning and Governance Board from 21 June 2012 to 26 July 2012.

RESOLVED – That the Board agrees that its next meeting be held on 26 July 2012.

17 EMPLOYERS SLA AND OUTSTANDING WORKLOAD

A report of the Head of Pensions Administration was submitted which informed the Board of employers' performance and any known levels of outstanding workload.

Included within the report were:

- Tables showing the performance of the District Councils against their SLA targets together with a split between current and backlog work.
- An analysis of their performance including comparisons with each other, the previous quarter and the other employers of the Fund.
- The performance of all other employers.

- A workload summary for each local office.
- A summary of the status of contribution reconciliation for the District Councils.
- A summary of strategic guidance provided.

RESOLVED – That the report be noted and that the Board welcomes the steps to improve the data flows from the District Councils.

18 CONSULTATION PROGRAMME - ONLINE ANNUAL PENSIONS FORECAST SURVEY

A report of the Head of Pensions Administration was submitted which informed the Board of the results of a survey carried out amongst scheme members who received their 2011 Annual Pension Forecast online, with a view to testing the members overall experience.

The survey attracted a reasonable response and the vast majority said that they were happy with receiving an online survey. The provision of statements in this way had saved the Authority over £1400 in printing and postage costs and would be repeated in 2012.

RESOLVED – That the report be noted.

19 EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED - That, under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

20 TREASURY MANAGEMENT: UPDATE

A report of the Clerk and Treasurer was submitted which provided the Board with an update on the treasury management operations of the Authority.

RESOLVED – That the report be noted.

CHAIR