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NOTICE OF AUTHORITY MEETING

You are hereby summoned to a meeting of the South Yorkshire Pensions Authority to be held at the offices of the South Yorkshire Joint Secretariat on Thursday 17 January 2013 at 10.00 am for the purpose of transacting the business set out in the agenda.

**M V Oades
Deputy Clerk and Monitoring Officer**

**Member Services Officer: Gill Garrety
Tel: 01226 772806 Email: ggarrety@syjs.gov.uk**

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Distribution

Councillors M Lawton (Chair), R Wraith (Vice-Chair), D Baker, E Butler, R Ford, K Goulty, B Lodge, C McGuinness, B Perrin, L Rooney, A Sangar and P Wootton

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SOUTH YORKSHIRE PENSIONS AUTHORITY

17 JANUARY 2013 AT 10.00 AM AT THE OFFICES OF THE SOUTH YORKSHIRE
JOINT SECRETARIAT, 18 REGENT STREET, BARNSELY

Agenda: Reports attached unless stated otherwise

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1	Apologies	
2	Announcements	
3	Urgent Items To determine whether there are any additional items of business which by reason of special circumstances the Chair is of the opinion should be considered at the meeting; the reason(s) for such urgency to be stated.	
4	Items to be considered in the absence of the public and press. To identify items where resolutions may be moved to exclude the public and press. (For items marked * the public and press may be excluded from the meeting).	
5	Declarations of Interest.	
6	Minutes of the Meeting of the Authority held on 22 November 2012	1 - 6
7	Minutes of the Boards	
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9	Section 41 Feedback from District Councils	

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12	LGPS Reform Proposals Update	Verbal Report
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*16	Software Sales (Exemption Paragraph 3)	41 - 44

SOUTH YORKSHIRE PENSIONS AUTHORITY

22 NOVEMBER 2012

PRESENT: Councillor M Lawton (Chair)
Councillor R Wraith (Vice-Chair)
Councillors; D Baker, E Butler, B Ford, K Goult, C McGuinness, L Rooney, A Sangar and P Wootton

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

Officers: S Pick (Clerk and Treasurer), J Hattersley (Fund Director), G Chapman (Head of Pensions Administration), B Clarkson (Head of Finance) and M McCoole (Senior Democratic Services Officer)

Apologies for absence were received from Councillors B Lodge and B Perrin

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 agenda items to be considered in the presence of the public and press.

5 DECLARATIONS OF INTEREST

None.

6 MINUTES OF THE MEETING HELD ON 11 OCTOBER 2012

Councillor Wraith enquired whether responses had been received to the letters sent to the four Chief Executives at the local authorities, which drew their attention to the issues which needed addressing regarding their performance data flows. The Clerk and Treasurer commented that formal responses were still awaited from all four Chief Executives, although a positive verbal response had been received from the Chief Executive at Rotherham MBC. The Clerk and Treasurer would meet with the Directors of Finance from the four local authorities today; he would check they had received the letter, and make them aware Members were disgruntled that no formal

responses had been received. G Warwick added that the trades unions were anxiously awaiting the responses. Councillor Lawton suggested the Clerk and Treasurer inform the Section 41 Members of the outcome of today's meeting, and the Members to then contact their respective leaders, to draw attention to the fact that responses were still awaited.

RESOLVED – That:-

- i) The Clerk and Treasurer to provide Section 41 Members with the outcome of today's meeting with the Directors of Finance, and the Members to then contact their respective leaders, to draw attention to the fact that responses were still awaited.
- ii) The minutes of the Authority meeting held on 11 October 2012 be agreed and signed by the Chair as a correct record.

7 MINUTES OF THE INVESTMENT BOARD HELD ON 20 SEPTEMBER 2012

RESOLVED – That the minutes of the Investment Board held on 20 September 2012 be noted.

8 MINUTES OF THE PENSIONS ADVISORY PANEL HELD ON 23 OCTOBER 2012

RESOLVED – That the minutes of the Pensions Advisory Panel held on 23 October 2012 be noted.

9 WORK PROGRAMME

The Authority considered its Work Programme to 21 March 2013.

RESOLVED – That the contents of the Work Programme be noted.

10 SECTION 41 FEEDBACK FROM DISTRICT COUNCILS

There were no Section 41 feedbacks available from the District Councils.

11 ANNUAL REVIEW OF THE RISK REGISTER

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

Members noted that the risks on the Corporate Risk Register were either static or moving in the correct direction, with the exception of Risk No. 6 'Future Changes to LGPS', and it was highly likely this would be the case for every pensions authority in the country.

RESOLVED – That the report be received.

12 ANNUAL REPORT OF THE AUDIT COMMITTEE 2011/12

A report of the Clerk and Treasurer was submitted to consider the Corporate Planning and Governance Board's Annual Report for 2011/12.

Councillor Wraith gave thanks on behalf of the Authority, for the work provided by the Audit Commission. Councillor Lawton was grateful KPMG had ensured consistency in staff, who understood the auditing of local authority business.

RESOLVED – That Members received the Corporate Planning and Governance Board's Annual Report for 2011/12, and noted it would be published on the Authority's website.

13 MEMBERS' TRAINING AND EDUCATION: DRAFT TRAINING PROGRAMME

A report of the Clerk and Treasurer was submitted to bring to Members' attention the draft Training Programme. A training session on the National Fraud Initiative would be held at the conclusion of today's meeting.

The Clerk and Treasurer commented that the Training Programme could be altered if Members felt additional training was necessary in the upcoming months; it was important for Members to give feedback on the training provided. Councillor Lawton added that the training officer would shortly be contacting Members to ascertain their knowledge and skills, in order to identify useful training needs.

Councillor Lawton commented it would be helpful if the LGPS Fundamentals Training could include a refresher course, in addition to the 3 day training sessions.

G Warwick requested trade union representatives be kept informed of the training sessions they could attend.

RESOLVED – That:-

- i) Members noted the draft Training Programme.
- ii) Councillor Lawton would now replace Councillor Wraith as the lead Member on training and development.

14 PERFORMANCE SNAPSHOT REPORT 2012/13: Q2

A performance snapshot report for 2012/13: Q2 was submitted for Members' information.

During the quarter two members of staff had left; there had been no new starters; and staff training continued to be up to date. The Fund Director commented that the investment performance had slightly underperformed over the period, but was ahead of the benchmark year to date. During the quarter the Investment Board had considered consultation papers from FRC on corporate governance issues.

Nine Members had attended training on the LGPS 2014 Scheme during the quarter, and 75% of Members had attended the Fundamentals training. The Clerk and Treasurer would provide Councillor Lawton with details behind the statistics identifying which Members had not completed their Fundamentals training.

RESOLVED – That:-

- i) The Clerk and Treasurer would provide Councillor Lawton with details behind the Member training statistics.
- ii) The report be received.

15 REVENUE ESTIMATES 2013/14 - ADMINISTRATION AND INVESTMENT
MANAGEMENT EXPENSES

A report of the Clerk and Treasurer was submitted to consider the Authority's draft revenue estimates for 2013/14, in respect of administration and investment management expenses, in the context of the continuing financial constraints facing public services; and to approve the levy under the Levying Bodies (General) Regulations 1992.

The Clerk and Treasurer gave thanks on behalf of the Authority to B Clarkson for the detailed and diligence work involved in the production of the report.

Councillor Sangar referred to today's meeting with the Clerk and Treasurer and the Chief Executives from the four local authorities; it would be necessary to ascertain whether the district councils sought any changes in relation to the outcomes of the valuation, regarding employer contributions at this stage in the cycle. The Clerk and Treasurer would be submitting a paper to the South Yorkshire Leaders Meeting next week on the joint services budget, and would suggest the Authority was working towards a cash standstill budget.

RESOLVED – That Members:-

- i) Approved the revised estimates for 2012/13 in the sum of £5,242,800.
- ii) Approved a levy of £546,000 for 2013/14 in accordance with The Levying Bodies (General) Regulations 1992.
- iii) Noted the preliminary forecasts for 2013/14, and referred the estimates to the District Councils for comment.

16 ACTUARIAL VALUATION 2013 TIMETABLE

A report of the Fund Director was submitted to advise Members about the provisional timetable for considering aspects of the actuarial valuation due at the end of March 2013.

The responsibility for the production of the actuarial valuation had been retained by the Authority rather than being delegated to a Board, which would involve a great deal of work from the Authority, the actuary and the employers; and given the other pressures on the parties, not least the progression of the proposals regarding the 2014 LGPS and budget preparations.

RESOLVED – That the report be noted.

17 BOARD CHAIRS' REPORTS

Councillor Lawton would be attending the Local Authority Pension Fund Forum Conference next week, where he hoped to be able to establish what was on the horizon, and gain a greater understanding of what other funds did.

Councillor Sangar expressed his thanks on behalf of the Authority, to the Investment Advisors S Arkle and T Hardy, for all of their work during the past ten years.

18 LGPS REFORM PROPOSALS UPDATE

G Chapman gave a verbal update to Members on the LGPS reform proposals; and a joint statement had been issued to everyone.

A couple of officers had attended the recent Pensions Managers Conference in Torquay; where Terry Edwards from the LGE had given a presentation on the problems which may arise with the new scheme, which was linked with the old scheme.

RESOLVED – That the verbal update be received.

19 SCHEME MEMBERS' AGM

A report of the Communications Manager was submitted to report on the Scheme Members' Annual Fund Meeting held on 11 October 2012.

The Meeting had been held at The Civic, Barnsley and only 59 members had been present. This was a disappointing attendance. Councillor Lawton had received a number of complaints regarding the venue, and suggested an alternative be sought when the Meeting was next held in Barnsley in four years time.

RESOLVED – That the report be noted.

20 PENSIONS ADVISORY PANEL FEEDBACK

RESOLVED – That Members noted there was currently no feedback available from the Pensions Advisory Panel.

21 FREEDOM OF INFORMATION ACT 2000: ANNUAL UPDATE

A report of the Clerk and Treasurer was submitted to provide Members with an update of Freedom of Information requests.

During the period September 2011 to October 2012 there had been 15 Freedom of Information requests received, all of which had been responded to within the 20 day limit required by the Act.

RESOLVED – That the report be received.

22 PROTOCOL: USAGE OF SOCIAL MEDIA

A report of the Clerk and Treasurer was submitted to advise Members on how social media may most appropriately and usefully be utilised when commenting on the work of the Authority. Members noted that the Authority communicated via Facebook, Twitter and You Tube.

RESOLVED – That Members:-

- i) Noted the contents of the report.
- ii) Adopted the proposed Social Media Protocol.

23 OFFICER CONTACT DETAILS

A report of the Clerk and Treasurer was submitted which provided Members with up to date contact details for officers of the Authority and the Boards.

RESOLVED – That the report be noted.

CHAIR

SOUTH YORKSHIRE PENSIONS AUTHORITY

CORPORATE PLANNING AND GOVERNANCE BOARD

15 NOVEMBER 2012

PRESENT: Councillor R Wraith (Chair)
M Lawton (Vice-Chair)
Councillors: D Baker, E Butler, B Ford, L Rooney and
P Wootton

Officers: G Chapman (Head of Pensions Administration),
J Clark (Principal Auditor), B Clarkson (Head of Finance),
J Hattersley (Fund Director), S Pick (Clerk and Treasurer),
A Shirt (Senior Democratic Services Officer) and R Winter
(Head of Internal Audit)

G Boyington (Unison) and G Warwick (GMB)

R Lindley and J Prentice (KPMG)

Apologies for absence were received from M Wilkinson

1 APOLOGIES

Apologies were noted as above.

2 ANNOUNCEMENTS

J Prentice, Lead Auditor for KPMG informed the meeting that following the transfer of staff from the Audit Commission to KPMG, there would be a change in personnel. Rachel Lindley would now be carrying out the role of external Audit Manager provided to the Authority.

The Board requested that a letter of thanks be sent to Linda Wild (previous Audit Manager) for the excellent work carried out on behalf of the Board.

3 URGENT ITEMS.

RESOLVED – That Board agreed to receive an urgent item, namely a report of the Clerk and Treasurer entitled “KPMG: Annual Fees Letter 2012/13”.

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

RESOLVED – That the following agenda items be considered in the absence of the public and press:

Item 20 Treasury Management

Item 21 EU Member State Tax Rules: Potential Tax Refunds

5 DECLARATIONS OF INTEREST

None.

6 MINUTES OF THE MEETING HELD ON 26 JULY 2012

RESOLVED – That the minutes of the meeting of the Board held on 26 July 2012 be agreed and signed by the Chair as a correct record.

7 WORK PROGRAMME

RESOLVED – That the contents of the Work Programme now submitted be noted.

8 EMPLOYERS SLA PERFORMANCE AND OUTSTANDING WORKLOAD

A report of the Head of Pensions Administration was submitted updating Members on employers' performance and any known levels of outstanding workload for the quarter ending 30 September 2012.

Overall performance between this quarter and the quarter ended 30 June 2012 had seen an increase in the number of cases issued (up from 3481 to 3549). In addition to this, the performance level had also increased to a record 73%.

The majority of employers had seen an increase in their performance level during this quarter. Rotherham had continued with their upward trend and had improved performance yet again this quarter, up from 88% to a record high of 94%, the best overall performance for a district council.

The SLA in relation to the submission of annual contributions data returns required that reconciled data be received by 31st May following the year end. Members noted the employers who had submitted their data on time, those whose had submitted data late, and those who were yet to submit their returns. There were currently 14 employers with an outstanding annual return. Reminders had been issued to all.

During the review period, the Authority had offered, and were invited to present an introduction to the proposed 2014 scheme to hundreds of scheme members with further events already booked in for this month.

In relation to the Employers Pensions Information Centre (EPIC) the Board noted that:

- 83% of employers with current members had at least one registered user.
- There were currently 645 registered users across all employers.
- 2556 online forms were submitted by employers during the review period.
- 117 employers had submitted a form during the review period, but only 67% did so via EPIC.

28 employers with current members were not registered for EPIC. 11 of those employers had only one single scheme member. A further 11 employers had less than 10 members and 6 employers had more than 10 members.

The employers currently not registered for EPIC represented 362 scheme members.

RESOLVED –

- i) That the contents of the report be noted.
- ii) That the Board notes the steps being taken to address any performance shortfall.

9 BENCHMARKING RESULTS

A report of the Head of Pensions Administration was submitted advising the Board of the results of the Authority's participation in the CIPFA Administration Benchmarking Club 2012.

In terms of cost, the Fund was able to demonstrate that it was consistently below the average compared with private sector in-house and externally managed Funds.

The Head of Pensions Administration highlighted that there was no element of quality comparison within the results; however, Fund Members did receive a high quality and wide range of customer service from the Authority (independently verified through the 100% compliant Customer Service Award).

The Board noted that the average unit per member was below average at £20.05 per member compared with an average fund cost of £21.54 per member of the Benchmarking Club.

Performance of the Pensions Administration team continued to be constantly higher than the average provided by members of the Benchmarking Club in each of the key service standards. The Authority was also able to provide performance data across a whole range of services, unlike a significant number of Local Authority Funds participating in the survey.

The Board wished to congratulate officers for the excellent work they had carried out to achieve the results.

RESOLVED – That the report be noted.

10 LGPS (MISCELLANEOUS) REGULATIONS 2012

A report of the Head of Pensions Administration was presented to alert Members to the LGPS (Miscellaneous) Regulations 2012 that came into force on 1 October 2012.

Following a statutory consultation that took place earlier in the year, the pension scheme had been subject to a number of miscellaneous amendments which had come into force on 1 October 2012.

The changes which had taken place were a combination of new provisions and corrections to the existing regulations to either better explain or remedy drafting errors causing misinterpretation.

A summary of the most significant changes were set out in the report now presented.

The Board noted that full details of all the changes were being added to the Authority's website and employers system (EPIC). Scheme booklets and standard letters were also being amended. Members who had a nominated cohabiting partner and had membership prior to 6 April 1988 were to be sent an individual letter.

There would also be a full update in the spring 2013 newsletters.

RESOLVED – That the contents of the report be noted.

11 CONSULTATION PROGRAMME - AGM SURVEY 2012

A report of the Communications Manager was submitted informing the Board of the results of the survey carried out amongst Scheme members who had attended the Authority's Annual General Meeting.

The survey had been designed to gauge perceptions of the service provided by SYPA in terms of value, travel arrangements, directions, speakers, subjects and helpfulness of staff.

All delegates at the AGM were issued with a survey form and, of the 59 delegates who attended, 38 returned a completed survey.

The analysis of the replies had been carried out by the Communications and Training Team who would take on board all the comments when organising future AGM's.

Overall, the event received an overwhelmingly positive review. The proceedings of the AGM had been recorded and uploaded to Youtube. 97.4% of respondents said they had found the recording of the AGM a useful addition.

RESOLVED – That the report be noted.

12 RISK REGISTER

A report of the Clerk and Treasurer was presented updating the Board on the Authority's Risk Register.

The Board noted that a review and update of the Risk Register was carried out by the Pensions Officer Planning Group prior to presenting it for consideration by the Board.

No new risks had been added to the Risk Register since the Board's last meeting. However, updates had been made to the commentary in the Control Measurers

column in relation to risk No.2 and the risk and commentary in the Control Measures column in relation to risk No. 6.

RESOLVED – That the report be noted.

13 INTERNAL AUDIT PROGRESS REPORT

A report of the Head of Internal Audit was submitted to consider the work undertaken by the Internal Audit Team during the second quarter of 2012/13 to the end of October 2012, and the outstanding recommendations as at 31 October 2012, from reports issued prior to March 2012.

The Team was on track to deliver planned projects, particularly when taking into consideration the focus of audit attention on Pensions fundamental systems which is concentrated during the third quarter of the year.

Members noted that there was one outstanding action relating to 'Data Flow – Doncaster MBC, recommendation 4' regarding the Service Level Agreement (SLA) between the Authority and Doncaster MBC which had been due for completion by May 2012. It was noted that Doncaster MBC had agreed to sign the SLA, however it had not yet been signed. A meeting was held on 22 October 2012 which did not immediately resolve the issue, but a commitment to sign had been made and was now expected to take place within the next few weeks.

Doncaster Members agreed to chase up on behalf of the Board.

RESOLVED – That the report be noted.

14 INTERNAL AUDIT PLANNING 2013/14 - CONSULTATION PAPER

A report of the Head of Internal Audit was submitted requesting Members' views regarding projects for inclusion in the Internal Audit Plan 2013/14.

The Board noted that the Strategy and Annual Plan 2013/14 report would be presented to the Board in March 2013, in order for the Board to approve the Strategy and Plan prior to commencement of that work.

RESOLVED – That the report be noted.

15 ANNUAL AUDIT LETTER

J Prentice presented the Audit Commissions Annual Audit Letter for the 2011/12 audit.

Following the Corporate Planning and Governance Board meeting held on 26 July 2012, the District Auditor had:

- Issued an unqualified opinion on the Authority's 2011/12 financial statements and the Pension Fund 2011/12 financial statements included in the Authority's Statement of Accounts;

- Issued an unqualified opinion on the Pension Fund 2011/12 financial statements included in the Pension Fund Annual Report;
- Concluded that there was one matter arising from my value for money work that I need to report; this related to the Authority not having fully accurate, good quality and timely data from its contributing bodies; and
- Certified completion of the audit.

RESOLVED – That the 2011/12 Annual Audit Letter be noted.

16 CHANGE IN EXTERNAL AUDITOR

A report of the Head of Internal Audit was presented to formally record that the external audit service would be provided to the Authority by KPMG who had been awarded the contract for public body audits in the Yorkshire Region for a 5 year period commencing from 1 October 2012. Staff of the Audit Commission in this region transferred employment to KPMG with effect from 1 November 2012.

RESOLVED – That the report be noted.

17 KPMG: ANNUAL FEES LETTER 2012/13

An urgent report of the Clerk and Treasurer was submitted requesting the Board to consider KPMG's Annual Fees Letter for 2012/13.

The Annual Fees Letter set out the work proposed by KPMG for the Authority's financial year 2012/13.

RESOLVED – That the indicative fee for the external audit for 2012/13 of £41,342 (exc VAT) set out in KPMG's Annual Fees be accepted by the Board.

18 STATEMENT ON INTERNAL CONTROL: INTERNAL INVESTMENT MANDATE

A report of the Clerk and Treasurer was submitted requesting the Board to renew the current internal investment mandate for a further twelve months.

The Board noted that for the last eight years the Authority had formally entered into a written mandate with its internal fund managers similar to that which entered into with external fund managers. The District Auditor was of the opinion that having such a mandate complied with best practice and the spirit of the Myners' Principles.

RESOLVED – That the Board agrees to renew the current internal investment mandate for a further twelve months.

19 ANNUAL REPORT OF THE AUDIT COMMITTEE 2011/12

A report of the Clerk and Treasurer was submitted requesting the Board to consider the draft Annual Report for 2011/12 prior to submission to the Authority.

The report covered the Board's activities during 2011/12.

RESOLVED: That the Board:

- i) Notes the Annual Report for 2011/12; and
- ii) Agrees to submit the final version of the report to the full Authority and to publish it on the Authority's website once approved.

20 BUDGET MONITORING

A report of the Clerk and Treasurer was presented advising Members of the current expenditure levels within the Authority against approved budget.

In November 2011 the Authority had approved an original budget for 2012/13 of £5,340,700 to maintain current levels of service.

The Board noted the actual expenditure to 30 September 2012 compared to the original budget. The Authority was on course to underspend during the current financial year.

RESOLVED – That the report be noted.

21 EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED - That under Section 100A of the Local Government Act 1972, the public and press 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 paragraphs 3 and 5 of Part 1 of Schedule 12a of the Act and the public interest not to disclose information outweighs the public interest in disclosing it.

22 TREASURY MANAGEMENT: UPDATE

A report of the Clerk and Treasurer was submitted updating the Board on the treasury management operations of the Authority.

RESOLVED – That the report be noted.

23 EU MEMBER STATE TAX RULES: POTENTIAL TAX REFUNDS

A report of the Clerk and Treasurer was submitted informing the Board of the progress in pursuing potential claims for refunds of tax arising out of legal challenges to the legality of member state tax rules.

RESOLVED – That the report be noted.

CHAIR

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SOUTH YORKSHIRE PENSIONS AUTHORITY

INVESTMENT BOARD

13 DECEMBER 2012

PRESENT: Councillor M Lawton (Chair)
Councillors: K Goulty, C McGuinness, B Perrin, A Sangar and R Wraith (Vice-Chair)

Officers: M Oades (Deputy Clerk & Monitoring Officer),
J Hattersley (Fund Director), S Smith (Head of Investments),
F Bourne (Administration Officer) and M McCoole (Senior
Democratic Services Officer)

Investment Advisors: T Gardener, R Gillson and L Robb

Apologies for absence were received from Councillor B Lodge

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:-

- i) Item 16 'Emerging Market Equity Exposure'
- ii) Item 17 'Passive Currency Hedging'
- iii) Item 18 'Investment Division Staffing'
- iv) Item 19 'Chertsey Street, Guildford: Proposed Refurbishment'
- v) Item 20 'High Holborn: Proposed Refurbishment'

be considered in the absence of the public and press

5 DECLARATIONS OF INTEREST

None.

6 MINUTES OF THE MEETING OF THE INVESTMENT BOARD HELD ON 20 SEPTEMBER 2012

RESOLVED – That the minutes of the meeting of the Board held on 20 September 2012 be agreed and signed by the Chair as a correct record.

7 WORK PROGRAMME

The Board considered its Work Programme to 23 May 2012.

RESOLVED – That the Work Programme be noted.

8 UPDATE ON MATTERS THAT HAVE ARISEN SINCE THE LAST MEETING

The Fund Director reported that two Freedom of Information enquiries had been received in relation to private equity from UK and US based commercial data gatherers. A query had also been received from a member of the Fund regarding the Government's consultation on limited partnerships.

Mr David Morley, the Client Manager at Hendersons would shortly be leaving the company, and his replacement had been in contact with the Fund Director.

The CLG Commons Select Committee had held sessions discussing the transfer of public health responsibilities from the NHS to local authorities. During the meetings the Chair of the Committee had asked witnesses from the local authorities whether their pension fund held investments in the tobacco industry. LGPS funds were aware of the interest the broader topic was generating and there had been an article on the subject in the BMA Journal last week.

Councillor Lawton had attended a number of meetings regarding infrastructure funds, and he would circulate his note onto Members.

9 LOCAL AUTHORITY PENSION FUND FORUM: JULY 2012 BUSINESS MEETING

A report of the Fund Director was submitted to inform Members that the minutes of the July 2012 business meeting had been issued.

In the May 2012 elections Councillor Greenwood had been defeated, which had resulted in a vote on the position of Forum Chair. It had been agreed that Mr Greenwood would continue as Chair until the 2013 Annual Meeting and Councillor Brayshaw, the leader of LB Camden Pension fund, had been elected as a second Vice Chair.

RESOLVED – That the report be noted.

10 LOCAL GOVERNMENT PENSION SCHEME (M&IF) REGULATIONS 2009: INVESTMENT IN PARTNERSHIPS

A report of the Clerk and Treasurer was submitted to seek Members' comments regarding the Government's consultation on whether or not to amend the investment category limits within the 2009 Regulations.

The Government had issued a consultation paper in November 2012 regarding a proposal to amend the investment limits, applying to LGPS funds in England and Wales, which restrict investing in limited liability partnerships. The current limit was 15%. The consultation also included a proposal to create a new allocation specifically for infrastructure investment.

RESOLVED – That Members agreed to support the proposed increase in the limit applicable to limited liability partnerships to 30%.

11 IIGCC UPDATE AND SUBSCRIPTION RENEWAL

A report of the Fund Director was submitted to update Members on the work of the Institutional Investors Group on Climate Change and to seek renewal of Group membership.

RESOLVED – That:-

- i) The report be noted.
- ii) Members agreed to continue membership of the Institutional Investors Group on Climate Change.

12 ACTUARIAL VALUATION AND ASSET AND LIABILITY STUDY 2013: ASSUMPTIONS

A report of the Clerk and Treasurer was submitted seeking the input of the investment advisors and Members into the assumptions etc. that should be used when determining the actuarial valuation and asset and liability study.

The statutory triennial actuarial valuation would be carried out at the end of March 2013, and the Authority would be commissioning an asset and liability study to ensure the Fund's investment strategy remained in accordance as much as possible, with its underlying liabilities.

The Fund Director commented that it was important to look at the assumptions to be used in the actuarial valuation and asset and liability study as early as possible. Feedback from the four local authorities' Chief Executives and Treasurers had indicated they would like a meeting with the Actuary in February/March 2013; with the valuation at the end of March 2013; data to be made available in summer/autumn 2013; and detailed negotiations to take place in autumn 2013.

T Gardener (TG) expressed a personal view that the yields on index linked and fixed interest were artificially low due to QE etc., and he added it would be a shame if the employers had to put in additional contributions as a result. TG added that there was great merit in being proactive with the Actuary. The Fund Director commented that the broad issues to discuss related to where bond yields and inflation would go. TG agreed that assumptions regarding the level of return above gilts and returns from the risk assets were important ones to agree on. R Gillson (RG) agreed that the points raised by TG were the crucial ones to consider.

TG commented that another factor to be brought into discussions was the strength of covenant; corporates were closed funds which had a 10 year recovery period, due to the strength of covenant being less. Local authorities had once been

allowed to run at 75% funding. If the scheme was on-going and had a strong covenant, then 100% funding was not a necessary requirement. TG hoped these complicated discussions were handled in a pragmatic and practical way by the actuary.

L Robb (LR) referred to the training session provided by Mercer in September 2012, and commented that it was important to try to buy time to be able to get into a good position, so when there was a rise in bond yields, or a good phase of equity return there would be an opportunity to take money off the table. LR added that a pragmatic conclusion was needed, and he would be nervous of any conclusions which had lower extra returns from risk assets than were in the previous valuation.

Councillor Lawton raised the issue of the on-going reduction in workforces employed by the district councils and the actuarial effect this could have. RG noted that using different recovery periods for different sponsors, resulting from a true assessment of the strength of the covenant, was an increasingly valid and prudent exercise. TG reiterated his view that the response to both the valuation and asset and liability strategy had to be bespoke to the Fund and not simply follow common practice in either corporate or LGPS spheres. Decisions should not be made just because corporates did this or that, but because it was right for local authorities. There was a tendency within the actuarial firms to try to put everyone in the same box.

The Fund Director commented that the actuarial profession would be under a great deal of pressure to keep contribution rates as low as possible and sustainable. If the valuation was just calculated on current bond yields then the liability cost would be huge. The situation was difficult for local authorities as District Treasurers saw their budget being taken up by increased spending requirements on social care, education and public health.

RESOLVED – That Members requested a further discussion paper be prepared for consideration at the next meeting.

13 ABSOLUTE RETURN PORTFOLIO

A report of the Fund Director was submitted which provided a simple breakdown of the Fund's Absolute Return Portfolio.

TG commented that the report was useful but wanted to know more about the genesis of the portfolio and what it was trying to achieve. The Fund Director commented that there had never been a full discussion between Advisors, Consultants or Officers on that subject; it was unclear whether enhanced investment return or reduced volatility was the prime aim but officers had assumed it was the former. The introduction of the asset class into the benchmark in October 2005 had coincided with an increase to alternative assets as a whole and had been suggested by the then investment consultant. The Fund had long been underweight in the class and relative to private equity.

RG welcomed the report which gave a better understanding of the position of the Fund. He endorsed TG's suggestion that a thorough discussion about the expectations from the asset class be incorporated into the work associated with the asset and liability study and this was agreed.

RESOLVED – That the report be noted.

14 SYPA QUARTERLY REPORT TO 30 SEPTEMBER 2012

The Board reviewed the performance of the Fund during the quarter ended 30 September 2012, and noted the Fund had returned 3.3% against the expected benchmark return of 3.4%, with the Fund valuation rising from £4577.6m to £4721.7m.

There had been very little activity across the Fund, with small additions within bonds to both the high yield portfolio and the emerging bond portfolio. There had been further drawdowns within the alternative investments to the private equity funds, which were more than matched by the distributions that were received.

UK equities had returned 4.8% compared to the benchmark return of 4.7%.

International equities had also returned 4.8% compared to the benchmark performance of 4.3%. To reduce the underweight position, £10m had been invested into the European portfolio, and the remainder of the investment in overseas equities was reinvestment of dividend income. The opportunity had been taken to further reduce the underweight in the banks sector as Eurozone discussions became more constructive.

The performance of the global equity markets had reversed from last quarter, with investors becoming more risk tolerant, as the central Banks announced further policy stimulus measures. The US economy appeared to be ahead of the game, as there were growing signs of economic stability. There was growing investor confidence in policymakers' commitment to resolve the Eurozone crisis. Data released during the quarter had indicated that China may engineer a gradual slowdown rather than a hard landing. The Fund was still underweight Japan but was considering adding.

Since the quarter end, ONS data had indicated that the UK had come out of recession though economic performance remained weak.

The Henderson managed corporate bond portfolio returned 5.3% against an expected return of 5.7%, due to its cautious positioning. Southern European issuers and financial bonds recovered their previous underperformance as the actions of the ECB materially improved sentiment. It had been a quiet quarter within the internally managed index linked portfolio though the Fund had begun restructuring in anticipation of index changes due to take place in November. The Fund continued to believe index linked remained too expensive.

With regard to commercial property a further decline in capital values had been expected, but scarcity of stock and developments and constrained financing augurs well for recovery once rents stabilised. Tertiary assets had moved into appetising yields. The broad outlook had not changed, and it was still believed if long term secure income at reasonable value could be found, it should be concentrated on. People continued to see London property as a safe haven.

The Bank of England had continued to keep interest rates at 0.5% and continued to do some QE during the period. Investors generally continued to believe the central

banks and policy makers in Europe were more aware of the difficulties they faced, and the problems going forwards were still envisaged.

RG commented that the absolute return fund portfolio had produced 3.4% over 3 years compared to the benchmark's 4.4% and the Fund's total unhedged return of 8.4%. The equity portfolios had all outperformed except for a minor underperformance in N. America. On the whole these were an acceptable set of numbers with the absolute return performance being the only disappointing one. RG added that in terms of reviewing whether the Board was carrying out its job, it should be noted that Fund performance was in line with the benchmark.

RESOLVED – That the report be noted.

15 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 and the public interest not to disclose information outweighs the public interest in disclosing it.

16 EMERGING MARKET EQUITY EXPOSURE

A discussion paper of the Fund Director was submitted to consider matters raised in the latest AllenbridgeEpic report on potential asset managers.

At the September 2012 meeting of the Board, a report had been submitted from AllenbridgeEpic Investment Advisors Limited, which identified potential managers for the emerging market equity portfolios. Advisors had thought that the report lacked some required information, and it was agreed the Fund Director would seek further input from Allenbridge.

The discussion paper identified not more than five potential managers of pooled funds who could do all or part of the two geographical remits. RG thanked the in-house Investment Team for the work undertaken.

The Board agreed to leave exposure to frontier markets to the discretion of the Fund Director.

RESOLVED – That Members agreed:-

- i) To the following externally managed entities:-
 - Eastern Europe; Nevsky
 - Africa: Coronation
- ii) That performance figures for the potential Latin American managers (Aberdeen; BlackRock; AshmoreEMM) and comparable ETFs be obtained over a 10 year period.
- iii) That the in-house Team should investigate the practicality of them managing internally an indexed Latin American portfolio.

17 PASSIVE CURRENCY HEDGING

A report of the Fund Director was submitted upon the on-going operation of a passive currency hedging strategy.

Currency hedging began at the end of October 2011 and Members had requested a report back to the Board after one year's operation. The initial decision had focused on obtaining "insurance" and protecting the Fund against currency exchange volatility. It was agreed to hedge half of the overseas equity exposure using two currencies (Euros and US Dollars) and monthly forward contracts. The Board noted that the Fund had not gone through a period of great volatility compared to previous years.

When discussing the possibility of using three month forward contracts instead of monthly ones, as HSBC had indicated that they no longer had any objections to that approach, RG noted the increased potential loss that would expose the Fund to should HSBC go bankrupt. Comparison was made to the limits adopted within the treasury management strategy.

Both TG and LR indicated that had they been involved in the original decision to adopt currency hedging they would not have recommended adopting it. However, given the current position they would recommend continuing the programme, using monthly forward contracts only, and reviewing the policy as part of the broader asset and liability review.

Following further discussion Members agreed to the continuation of the programme but decided not to support utilising three month forwards. It was also agreed that the Fund's customised benchmark should be amended so that the allocation to cash be increased to 1.5% from 0% and this be at the expense of the allocation to absolute return funds.

RESOLVED – That Members:-

- i) Noted the results of the first year of passive currency hedging, including both the volatility of outcomes and the estimated costs of trading.
- ii) Reviewed the rationale behind de-risking overseas investment returns by currency hedging and determined to maintain the policy using one month forward contracts only.
- iii) Agreed to amend the Fund's customised benchmark so that the allocation to cash be increased to 1.5% from 0% at the expense of absolute return funds.

18 INVESTMENT DIVISION STAFFING

A discussion paper of the Fund Director was submitted to bring for Members' consideration suggestions regarding additional investment management post(s).

The Board noted a considerable saving could be made if the corporate bond portfolio was brought in-house. Following the introduction of a number of portfolios, the broker pool used by the internal manager had been increased in recognition of this, to enable more broker research expertise to be utilised. It was unlikely that an

internal team of the Authority's size could justify conducting detailed direct research.

The Advisors commented that in order to manage corporate bond portfolios a significant team of analysts was required, which they recommended the Board steered away from. The Fund Director was asked to ascertain how many other LGPS schemes managed corporate bonds in-house.

The Fund Director would go back and reconsider the position.

RESOLVED – That the report be received.

19 CHERTSEY STREET, GUILDFORD: PROPOSED REFURBISHMENT

A report of the Fund Director was submitted to inform Members about proposals to refurbish and extend the Fund's investment property at Chertsey Street, Guildford.

RESOLVED – That the report be noted.

20 HIGH HOLBORN: PROPOSED REFURBISHMENT

A report of the Fund Director was submitted to inform Members about proposals to refurbish and extend the Fund's investment property in High Holborn, London.

RESOLVED – That the report be noted.

THE MEETING WAS RE-OPENED TO THE PUBLIC AND PRESS

21 STATEMENT OF INVESTMENT PRINCIPLES: RENEWAL

A report of the Clerk and Treasurer was submitted to seek Members' approval to adopt a revised Statement of Investment Principles for twelve months with effect from 1 October 2012.

The Authority had a statutory obligation to produce and publish a Statement of Investment Principles, which was last approved in March 2012, and contained within it the customised benchmark.

In light of the decision reached above (minute 17) it was agreed that the Statement be amended accordingly and be initiated with effect from 1 January 2013.

RESOLVED – That the revised Statement of Investment Principles be adopted with effect from 1 January 2013 for a period of not less than twelve months.

CHAIR

South Yorkshire Pensions Authority – cycle of future meetings

Authority Meetings

Agendas	17 January 2013	21 March 2013	13 June 2013 AGM	13 June 2013 Ordinary Meeting
Strategic Overview of Business	Meeting Overview & Context	Meeting Overview & Context		Meeting Overview & Context
	S41 Feedback	S41 Feedback		S41 Feedback
Board Scrutiny	Call-Ins	Call-Ins		Call-Ins
Training & Development				
Review of Strategies		Qtr 3 Performance Snapshot Report		Qtr 4 Performance Snapshot Report
	Budgets and Revised Estimates	Treasury Management Strategy Annual Report		CPGB Audit Committee Functions Annual Report
		Review of Funding Strategy Statement		
Business	Board Chairs' Reports	Board Chairs' Reports	Appointment of Chair and Vice Chair	Board Chairs' Reports
	LGPS Reform Proposals Update	LGPS Reform Proposals Update	Membership of the Authority	LGPS Reform Proposals Update
	Members Self-Assessment Report	AVC's Annual Review	Appointment of Boards and Committees	Webcasting

	17 January 2013	21 March 2013	13 June 2013 AGM	13 June 2013 Ordinary Meeting
Business	Management Update Report	Consultation Strategy	Questions in Meetings of District Councils	Members Self-Assessment Report
	Software Sales	Write Offs		Framework Agreement
	Trades Union Representation on Boards			Loyalty Awards
Training & Development	Training Session PIRC	Training Session Service Level Agreements		

SOUTH YORKSHIRE PENSIONS AUTHORITY

17 January 2013

Report of the Clerk and Treasurer

REVENUE ESTIMATES 2013/14

1 Matter for consideration

To confirm the endorsement by the South Yorkshire Leaders of the Authority's draft budget proposals considered by the Authority on 22 November 2012.

2 Recommendations

Members are asked to formally confirm the budget proposals and approve the budget of £5,340,700 for 2013/14.

3 Background Information

3.1 At the meeting of the South Yorkshire Leaders on 30 November, the Clerk and Treasurer reported on the Pensions Authority's draft budget proposals and these were accepted.

3.2 Leaders were content with the approach being taken by the Authority.

3.3 The draft budget is attached as Appendix A.

4 Implications and risks

4.1 Financial

There are no additional matters to report.

4.2 Legal

There are no legal implications.

4.3 Diversity

There are no diversity implications.

4.4 Risk

There are no risk implications.

S Pick
Clerk and Treasurer

Officer responsible: Bev Clarkson, Head of Finance, South Yorkshire Pensions Authority

Background papers used in the preparation of this report are available for inspection at the South Yorkshire Pensions Authority.

Other sources and references: none

SOUTH YORKSHIRE PENSIONS AUTHORITY

ADMINISTRATION AND INVESTMENT EXPENSES

REVENUE ESTIMATES 2013/14 AT OUTTURN PRICES

SUMMARY

	2012-13 ORIGINAL ESTIMATE £	2012-13 PROBABLE OUTTURN £	2013-14 ESTIMATE £
ADMINISTRATION EXPENSES	2,917,200	2,892,200	2,955,600
INVESTMENT EXPENSES	2,423,500	2,350,600	2,462,300
CONTINGENCIES	0	0	-77,200
TOTAL EXPENDITURE REQUIREMENT	5,340,700	5,242,800	5,340,700
INVESTMENT COSTS LINKED TO MARKET VALUES	950,000	900,000	950,000
NET CONTROLLABLE BUDGET	4,390,700	4,342,800	4,390,700
RECHARGED TO:			
FUND	5,195,700	5,092,800	5,190,700
SYPT PENSION FUND	145,000	150,000	150,000
	5,340,700	5,242,800	5,340,700
ACTUARIAL WORK CHARGED TO FUND	0	90,000	90,000
<u>MEMORANDUM ITEM</u>			
DISTRICT OFFICES			
Barnsley	97,400	98,800	98,100
Doncaster	103,500	101,300	105,100
Rotherham	82,700	80,600	81,200
Sheffield	114,300	115,300	115,900
	397,900	396,000	400,300

SOUTH YORKSHIRE PENSIONS AUTHORITY

ADMINISTRATION EXPENSES

REVENUE ESTIMATES 2013/14 AT OUTTURN PRICES

	2012-13 ORIGINAL ESTIMATE £	2012-13 PROBABLE OUTTURN £	2013-14 ESTIMATE £
EXPENDITURE			
EMPLOYEES			
Administration and Clerical	1,850,300	1,756,300	1,874,500
Training Expenses	14,500	14,500	14,500
Other Indirect Expenses	26,200	127,500	26,000
PREMISES RELATED EXPENSES			
Rents - Office Accommodation	150,000	150,000	140,000
TRANSPORT RELATED EXPENSES			
Public Transport	3,100	3,000	3,000
Car Allowances	7,400	7,000	7,000
SUPPLIES AND SERVICES			
Equipment, Furniture and Materials	13,900	13,800	13,800
Publications	200	200	200
Printing and Stationery	86,000	75,000	75,500
Communications and Computing			
Postages and Telephones	100,000	110,000	110,000
Computer Services	25,000	25,000	25,000
Imaging maintenance	18,000	18,000	18,000
AXIS	109,500	109,500	109,500
Subsistence and Conferences	2,200	2,000	2,200
Subscriptions	8,800	8,800	9,000
Actuarial Fees	60,000	70,000	90,000
Legal Services	2,000	2,000	2,000
Other Professional Fees	50,000	40,000	50,000
Miscellaneous Expenses	8,800	8,000	9,000
CENTRAL EXPENSES			
Joint Secretariat	303,000	303,500	310,000
IT Network	47,000	47,000	47,000
Insurances	26,000	24,000	26,000
Subscriptions	5,200	4,500	5,000
Audit Fee	67,000	42,000	50,000
Bank Charges	20,700	20,700	22,000
Democratic Representation	13,500	13,500	14,000
Member Training	7,200	7,000	8,000
Disaster Recovery	5,900	5,500	5,900
<hr/>			
GROSS EXPENDITURE	3,031,400	3,008,300	3,067,100
MISCELLANEOUS INCOME	114,200	116,100	111,500
<hr/>			
NET EXPENDITURE	2,917,200	2,892,200	2,955,600
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SOUTH YORKSHIRE PENSIONS AUTHORITY

INVESTMENT GENERAL AND INVESTMENT MANAGEMENT EXPENSES

REVENUE ESTIMATES 2012/13 AT OUTTURN PRICES

	2012-13 ORIGINAL ESTIMATE £	2012-13 PROBABLE OUTTURN £	2013-14 ESTIMATE £
EXPENDITURE			
EMPLOYEES			
Administration and Clerical	901,000	894,000	921,000
Training Expenses	4,100	4,100	4,100
Other Indirect Expenses	5,700	3,700	4,700
PREMISES RELATED EXPENSES			
Rents - Office Accommodation	50,000	50,000	40,000
TRANSPORT RELATED EXPENSES			
Public Transport	8,400	6,000	8,400
Car Allowances	3,500	2,000	3,500
SUPPLIES AND SERVICES			
Equipment, Furniture and Materials	6,700	6,500	6,700
Publications	4,100	3,600	4,100
Printing and Stationery	3,800	2,500	3,000
Communications and Computing			
Postage and Telephones	500	300	300
Computer Services	8,400	8,400	8,500
Subsistence and Conferences	1,800	1,500	1,500
Subscriptions	28,000	28,000	30,000
Actuarial Fees	20,000	20,000	40,000
Legal Fees	1,000	1,000	1,000
Other Professional Fees	35,000	20,000	35,000
Miscellaneous Expenses	2,000	2,000	2,000
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INVESTMENT GENERAL EXPENSES	1,084,000	1,053,600	1,113,800
<u>INVESTMENT MANAGEMENT EXPENSES</u>			
Internal Information Systems	297,000	297,000	304,000
Custodian & Other Investment Expenses	251,000	221,000	251,000
External Management Fees	791,500	779,000	793,500
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INVESTMENT MANAGEMENT EXPENSES	1,339,500	1,297,000	1,348,500
<hr/>			
NET EXPENDITURE	2,423,500	2,350,600	2,462,300
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SOUTH YORKSHIRE PENSIONS AUTHORITY

17 JANUARY 2013

Report of the Clerk and Treasurer

COMPLIANCE WITH MYNERS' PRINCIPLES: SELF ASSESSMENT

1) Purpose of the report

To inform Members of the outcome of the self- assessment against the Myners' Principles.

2) **Recommendations**

- a) **That the Authority note the contents of the report**
 - b) **That the Authority confirms its commitment to this process for this financial year**
 - c) **That the Authority agree to any development needs arising from the results.**
-

3) Background Information

- 3.1 Members adopted a system of self-assessment in October 2011 and agreed to use a template to gauge compliance.
- 3.2 Members received individual copies in November 2011 and were asked to retain them until the end of the financial year (March 2012) and return them, duly completed, to the Clerk and Treasurer.
- 3.3 Twelve forms were issued and seven were returned.
- 3.4 The self-assessment was divided into three separate forms and not all members were required to complete all three. The assessments were: assessment of Authority Members (Form 1); assessment of the Board Chair by Members of the Investment Board (Form 2, Part A); assessment of the Independent Investment Advisors by the Members of the Investment Board (Form 2, Part B); assessment of the Board Chair by the Members of the Corporate Planning and Governance Board (Form 3)
- 3.5 The scoring mechanism used is a range of 1-5 as follows:

1 Poor; 2 Satisfactory; 3 Good; 4 Very Good and 5 Excellent.

4) Results

4.1 In relation to the assessment of the Authority Members, scores ranged from Good to Excellent, with one satisfactory score against one of the criteria. In the main, scores were either Very Good or Excellent and therefore no areas of concern were raised and no development needs identified.

4.2 In relation to the assessment of the Board Chair by the Members of the Investment Board, scores ranged from Good to Excellent with the majority falling into the Very Good category.

4.3 In relation to the assessment of the Independent Investment Advisors by the Members of the Investment Board, scores ranged from Poor to Excellent. The lower scores (1 and 2) were in the following areas:

- Production of a formal report on the Funds' performance annually
- Monitoring and identifying issues that may arise from policies adopted by the Authority

Members will be aware that two of the then three advisors retired in September 2012 and that their successors have now attended Panel meetings in September and December 2012.

4.4 In relation to the assessment of the Board Chair by the Members of the Corporate Planning and Governance Board, scores ranged from Good (3) to Excellent (5), although it is fair to say that most criteria achieved a score of either Very Good (4) or Excellent (5).

5. Development Needs

5.1 There appear to be no immediate development needs arising from the self-assessment but Members may wish to look at some of the areas that scored "3", particularly in relation to the assessment of the Authority itself. Some of these were:

- Understanding roles and responsibilities
- Managing risk
- Assessing Trustee learning gaps
- Monitoring of employers' performance under SLAs

5.2 Year on year comparisons can be reported on after the next round of self-assessment.

5.3 Self-assessment questionnaires will be issued to all Members of the Authority by the end of January 2013 for completion and return by 31 March 2013.

6. Implications

There are no direct financial, legal or diversity implications with this report.

There may be some reputational risk implications in relation to the quality of internal governance if results are not reported and acted on appropriately.

S Pick
Clerk and Treasurer

S Barker
SYJS Human Resources
Telephone contact 01226 772858

Background papers used in the preparation of this report are available for inspection at the offices of South Yorkshire Joint Secretariat, Barnsley.
Other sources and references:

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SOUTH YORKSHIRE PENSIONS AUTHORITY

17 JANUARY 2013

Report of Clerk and Treasurer

MANAGEMENT ARRANGEMENTS

1. Purpose of the Report

To formally record the changes of job titles of senior officers of the Authority.

2. Recommendations

Members are asked to note the position.

3. Background Information

- 3.1 As Members are aware, changes took place to the senior management structure of the Authority in 2011 following the retirement of the Assistant Treasurer and in anticipation of the retirement of the incumbent Clerk and Treasurer. Those changes were outlined in a report approved by the Authority in February 2011.
- 3.2 As part of this process it was agreed that the role of Head of Service, which formerly rested with the Clerk and Treasurer, be absorbed by the Fund Manager and that the then designated posts of Assistant Treasurer, Assistant Fund Manager and Operations Manager act as the next tier. The opportunity was taken to revise the job titles of those posts.
- 3.3 Following requests from external bodies for authorised signature lists and similar documents it has been drawn to my attention that although the changes in principle were formally minuted there is no formal record of the change in job titles. Therefore, it is suggested that this oversight be corrected now.
- 3.4 For the record the following changes have been made:-

Post number	Former title	New title
P1	Assistant Treasurer	Head of Pensions Admin
P42	Fund Manager	Fund Director
P43	Assistant Fund Manager	Head of Investments
P50	Operations Manager	Head of Finance

4. Implications and risks

4.1 Financial

There are no financial implications arising out of this report.

4.2 Legal

There are no legal implications.

4.3 Diversity

There are no diversity implications.

4.4 Risk

There are no risk implications.

S Pick
Clerk and Treasurer

Background papers used in the preparation of this report are available for inspection at the offices of the Authority in Barnsley.

Other sources and references: None

SOUTH YORKSHIRE PENSIONS AUTHORITY

17 January 2013

Report of Clerk and Treasurer

TRADES UNION REPRESENTATION ON BOARDS

1. Purpose of the Report

To inform the Authority of the current position regarding Trades Union seats on the Corporate Planning and Governance Board and the Investment Board.

2. Recommendations

Members are asked to approve the extension to the Terms of Office of the Trades Union representatives on the Authority's Boards until 31 March 2014.

3. Background Information

- 3.1 In 2006, two seats on each Board were allocated to Trades Union representatives. This was later increased to three.
- 3.2 The current position is as follows:
Corporate Planning & Governance Board – Garry Warwick (GMB), Glyn Boyington (Unison) and Jeff Coombs (UCATT).
Investment Board – Garry Warwick (GMB), Michael Stowe (Unison) and Jeff Coombs (UCATT). These appointments are until 31 March 2013.
- 3.3 Due to the proposed changes to LGPS in 2014, it is proposed to extend the terms of office for the above to 31 March 2014.
- 3.4 Both Unison and GMB have agreed to this proposal, a reply is still awaited from UCATT.

4. Implications and risks

- 4.1 There are no financial, legal or diversity risks arising from this report.

S Pick
Clerk and Treasurer

Officer responsible: Gill Garrety, Member Services Officer
South Yorkshire Joint Secretariat
01226 772806. ggarrety@syjs.gov.uk

Background papers used in the preparation of this report are available for inspection at the offices of the Authority in Barnsley.

Other sources and references: None

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TRADES UNION ATTENDANCE AT SOUTH YORKSHIRE PENSIONS AUTHORITY'S BOARDS – MARCH 2010 TO DATE

Corporate Planning and Governance Board

	13.5.10	17.6.10	22.7.10	25.11.10	3.2.11	19.5.11	28.7.11	17.11.11	2.2.12	7.3.12	17.5.12	26.7.12	15.11.12
G Boyington (Unison)	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
J Coombs (UCATT)													
G Warwick (GMB)	✓	✓			✓		✓		✓	✓	✓	✓	✓

Investment Board

	18.3.10	27.5.10	9.12.10	17.3.11	26.5.11	22.9.11	8.12.11	15.3.12	24.5.12	20.9.12	13.12.12
J Coombs (UCATT)											
M Stowe (Unison)			✓	✓	✓		✓	✓			
G Warwick (GMB)	✓				✓		✓	✓		✓	

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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