

SOUTH YORKSHIRE PENSIONS AUTHORITY

11 June 2015

Report of the Clerk

COMPLIANCE WITH THE PRINCIPLES FOR INVESTMENT GOVERNANCE: SELF ASSESSMENT

1) Purpose of the report

To inform Members of the outcome of the self-assessment against the Principles for Investment Governance

2) Recommendations

- a) **That the Authority notes the contents of the report.**
 - b) **That the Authority agrees to review this process when the new governance arrangements under the Public Service Pensions Act 2013 are finalised.**
 - c) **That the Authority agree to any development needs arising from the results.**
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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 January 2015 and were asked to retain them until the end of the financial year (March 2015) and return them, duly completed, to the Clerk.
- 3.3 Twelve forms were issued and ten were returned; this was an increase on the previous year when nine of the twelve forms 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 Satisfactory to Excellent. In the main, scores were either Very Good or Excellent and

therefore no areas of concern were raised and no development needs identified. Members felt that improvements had been made in the following areas:

- Addressing trustee learning gaps.
- Monitoring the employers' performance under SLA's.
- Reviewing the governing legislation regularly.
- There are effective controls to manage risk.

- 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 again ranged from Good to Excellent with the majority falling into the Very Good category.
- 4.4 In relation to the assessment of the Board Chair by the Members of the Corporate Planning and Governance Board, scores again ranged from Satisfactory to Excellent, although it is fair to say that most criteria achieved a score of Very Good.

5. Development Needs

- 5.1 There appear to be no immediate development needs arising from the self-assessment.
- 5.2 The method of Member self-assessment will be reviewed when the new governance arrangements under the Public Service Pensions Act 2013 are finalised.

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.

D Terris
Clerk

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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: None.