

SOUTH YORKSHIRE PENSIONS AUTHORITY

1 October 2015

Report of the Clerk

LOCAL PENSION BOARD BUDGET 2015/16

1) Purpose of the Report

To consider and agree a budget for the recently established Local Pension Board for the period 2015/16.

2) Recommendations

Members are recommended to:

- a) agree a budget of £15,000 for the period 2015/16.
 - b) note these costs will be met on a pro-rata basis by the local Government pension fund in South Yorkshire and the South Yorkshire Passenger Transport Pension Fund.
 - c) note expenditure will be reported as part of the Authority's budget monitoring arrangements.
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3) Background Information

3.1 Guidance issued in respect of the establishment of local pension boards makes provision for them to have access to a budget for specified purposes. This might include, but is by no means exhaustive:

- Seeking professional advice;
- Member training;
- Production of an Annual Report;
- Expenses in relation to travel, accommodation and subsistence in connection with membership.

3.2 Any costs incurred by the Board shall be regarded as part of the costs of administration of the Fund.

3.3 As expressly stated in the Board's Constitution and Terms of reference:

"....the Board shall not enter into contracts of behalf of the Authority..... incur a cost to the Pension Fund....."

4) Budget Proposal

4.1 Given that Local Pension Boards are new entities and will understandably evolve dependent on their required programme of work, establishing a budget will to a degree be somewhat subjective at the outset.

4.2 It is important that adequate provision is made based on for example the number of meetings the Board proposes to hold, the degree of training Members require to enable them to properly fulfil their role and the extent to which they may choose to seek professional support in meeting its statutory obligations.

4.2 The proposed budget below is based on the current financial year, 2015/16, acknowledging the Panel met for the first time some way into the year. A full year revised budget for 2016/17 will take account of expenditure in this first year of operation and acknowledge the factors previously identified in the report.

4.3 As reported, the Authority has been successful in obtaining approval from DCLG to establishing a Joint Local Pension Board comprising representation from the local government pension fund in South Yorkshire and the South Yorkshire Passenger Transport Pension Fund.

4.4 As such the proportion of costs associated with the administration and running of the Local Pension Board will be met on a pro-rata basis by each of these funds.

Budget	Projected Full Year Costs £
Travel, Accommodation and Subsistence	3,500
Training	8,000
Professional Advice	3,500
TOTAL	15,000

4.3 The Board will as part of its remit discuss its budget with the Authority and the Chair of the Local Pension Board will be invited to discuss matters relating to expenditure with the Authority where necessary.

4.4 Local Pension Expenditure will be reported as part of the Authority's overall budget monitoring process.

4) Implications and risks

- Financial – Identified in the report at paragraph 4.

- Legal – There is as statutory requirement to establish Local Pension Boards and make adequate financial provision for their operation

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Background papers used in the preparation of this report are available for inspection at the offices of the South Yorkshire Pensions Authority, 18 Regent Street, Barnsley.