

SOUTH YORKSHIRE PENSIONS AUTHORITY

5 OCTOBER 2017

Report of the Interim Fund Director

POOLING UPDATE

1) Purpose of the paper

To update on the progress of pooling in the Border to Coast Pensions Partnership (BCPP Ltd).

2) Recommendation

That Members note the report.

3) Background information

The attached update was reported to the Investment Board 14 September 2017. A separate report on today's agenda addresses the post pooling staffing structure and related matters.

Members are also reminded that SYPA agreed policy, at the Authority's March 2017 meeting, is to promote Trade Union representation on behalf of scheme members at Pool level in a non-voting, observer capacity.

The Chair and Vice Chair will hold meetings with the Chair of the LPB and Trade Union representatives, ahead of BCPP Joint Committee meetings, to consult on the agenda. The next Joint Committee is scheduled for 20th October 2017.

4) Implications

4.1 Financial

As previously reported the transition to pooling will incur additional set up costs and increased ongoing costs over at least the medium term. Monitoring the performance of BCPP and the costs of the service will be a key issue moving forward.

4.2 Legal

SYPA is in a contractual relationship with 11 other partners who form the shareholders of BCPP Ltd. Governance arrangements have been separately reported to the Authority (March 2016) when seeking approval to formalise arrangements with BCPP Ltd.

4.3 Diversity

There are no particular diversity implications.

4.4 Risk

There are a range of risks involved in setting up new arrangements which are being managed by the project team. There is an unquantifiable risk that the Fund might not perform as well under new arrangements.

Steve Barrett
Interim Fund Director

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