

# SOUTH YORKSHIRE PENSIONS AUTHORITY

7 June 2018

## Report of the Fund Director

### REFRESH OF THE CORPORATE PLANNING PROCESS

#### 1) Purpose of the Report

To secure the agreement of members to a refresh of the Authority's corporate planning process for delivery from 2019/20.

---

#### 2) Recommendations

**The Authority are recommended to:**

- a) **Approve the corporate planning framework set out in Appendix A.**
  - b) **Note the process of stakeholder engagement around corporate priorities proposed over the remainder of the current year.**
  - c) **Note the timetable set out for producing the various "enabling" strategies.**
- 

#### 3) Background Information

3.1 The Authority's corporate strategy was last updated in 2015 and is based around six Strategic Objectives.

1. The Best
2. Investment Returns
3. Responsible Investment
4. Valuing our employees
5. Pensions planning
6. Effective and transparent corporate governance.

3.2 Given the passage of time since the last update in 2015 which has seen very significant changes for the Authority in terms of its senior management, the forthcoming transfer of staff and assets into the BCPP pooling structure, and the progress towards eliminating the deficit it is appropriate to conduct a full review of the corporate planning framework to ensure that the Authority is focussed on the key issues which are facing it.

- 3.3 Set out in diagrammatic form at Appendix A is the proposed corporate planning framework for the Authority. At the centre of this framework is the Corporate Strategy which covers 3 years (a valuation cycle) with annual updates. The Corporate Strategy is supported by a number of enabling strategies covering the resources used in service delivery.
- Money – The Medium Term Financial Strategy;
  - People – The Human Resources and Organisational Development Strategy;
  - ICT – The ICT Strategy.
- 3.4 These enabling strategies are also set over a three year period with an annual update for the Medium Term Financial Strategy, and a three yearly update for the others. Currently the Authority only has an ICT Strategy in place and the others will need to be developed as part of this process.
- 3.5 These corporate strategies filter through the organisation via the objective setting element of the appraisal system allowing each member of staff to be clear about their role in the delivery of the Corporate Strategy.
- 3.6 The current Strategic Objectives sit within a broader framework of vision, mission and values which are intended to articulate what the Authority exists to do and the way in which it will go about doing it. Again the passage of time means that it is appropriate to review these and consider whether all aspects of this framework remain relevant.

#### The Process of Review

- 3.7 Any corporate planning framework needs to take into account the views of the various stakeholder groups, with whom the Authority engages, in particular:
- Scheme Members
  - Scheme Employers
  - Local Pension Board
  - Staff
  - Trades Unions
  - Elected members
- 3.8 There are already routine channels of communication with some of these groups, which can be utilised to secure views on how the Authority should develop going forward. The broad plan is as follows:
- Scheme Members – Requests for feedback in newsletters, and on the website and the Annual Fund Members Meeting.

- Scheme Employers – Utilisation of the Annual Meeting to gather views together with the use of other opportunities such as meetings of the s.151 officers of the 4 District Councils.
- Local Pension Board – The Board will be asked to consider the draft corporate strategy in advance of the Authority considering the final version for approval. This will allow any views of the Board to be fed into the final version of these documents. Individual members of the Board will undoubtedly participate in the overall consultation process as part of other stakeholder groups such as scheme members.
- Staff – It is intended to conduct a Staff Survey and follow this up with a small number of focus groups. The last survey was carried out in 2013 so there is effectively no baseline for understanding staff views.
- Trades Unions – There is regular liaison with trades unions in relation to employment matters which will be used to deal with some aspects of this process, while discussion with the 3 Trade Union Observers on the Authority itself will address wider organisational issues.
- Elected Members – It is proposed to hold a workshop towards the end of the summer for elected members. As well as issues of corporate priorities this will consider issues concerning the Authority's risk appetite and investment beliefs which will have a key influence on the development of policy going forward. A similar event will be held in the first quarter to 2019 to allow members to provide feedback on the eventual draft corporate strategy and other key elements of the framework.

### Timescales

3.9 The revised Corporate Planning Framework needs to be in place by 1<sup>st</sup> April 2019 to coincide with the next actuarial valuation. A broad timeline is set out in Appendix B, which indicates that work will need to start over the summer to ensure that the full framework is in place in time.

### 4) Implications and Risks

- Financial – Costs of this process will be minimal (largely existing staff time) and will be contained within existing budgets.
- Legal – There are no immediate legal implications.
- Diversity – There are no immediate implications but diversity may well be an issue which is addressed within either the new Corporate Strategy, or the Human Resources and Organisational Development Strategy or both.

- Risk – The Corporate Strategy will drive a revised corporate risk register, and will therefore provide the opportunity to thoroughly reappraise the risks facing the organisation.

**George Graham**  
**Fund Director**

01226 772887

[ggraham@sypa.org.uk](mailto:ggraham@sypa.org.uk)

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