



**SOUTH YORKSHIRE  
PENSIONS AUTHORITY**

Business Planning and  
Performance Framework 2018/19  
for the Pensions Service  
and Pensions Authority

**Performance Snapshot Report  
2018/19: Q3**

**ISSUED: March 2019**

The strategic framework in outline

Pensions Service Strategic Objectives	Area of Impact
1: The Best	1.1: Engaging with all our partners, including employers, to ensure that we understand and meet their agreed needs 1.2: Providing an accurate and timely service to all customers 1.3: Gaining and retaining external recognition through quality standards awards such as Charter Mark and Customer Service Excellence 1.4: Ensuring that we continue to provide Value for Money
2: Investment returns	2.1: Monitoring performance against the adopted benchmark and targets
3: Responsible Investment	3.1: Developing and implementing a responsible investment policy that is compatible with the fiduciary duties of the Fund 3.2: Adopting a voting strategy and guidelines specific to the Fund's requirements and ensuring that it is regularly reviewed in accordance with industry best practice
4: Valuing our Employees	4.1: Maintaining a competent, valued and motivated workforce. 4.2: Encouraging personal development to improve knowledge, skills and effectiveness.
5: Pensions Planning	5.1: Providing information through written material to all customers 5.2: Developing interactive website facilities 5.3: Encouraging attendance at annual events to provide forums for discussion 5.4: Maintaining an "on-site" presence to address personal concerns
6: Effective and Transparent Corporate Governance	6.1: Clarifying functions and roles towards delivering a common purpose 6.2: Promoting good governance through upholding high standards of conduct and behaviour 6.3: Developing the capacity and capability of members and officers to be effective 6.4: Ensuring robust accountability

*Snapshot performance results for each Strategic Objective and Area of Impact appear on the following pages*

## **Pensions Service Strategic Objectives**

### 1. The Best

Area under Review	Activity During Quarter	Target	Status/Comment
<b>Transactions with Members</b>	19,277 cases of which 80% were on target. This compares with 16,052 cases at 81% achieved during Q2.	97%	Reduction in performance from Q2 coincides with the formation of the team to deal with the backlog aggregation exercise although production increased substantially overall.

### 2. Investment Returns

Area under Review		Target	Status/Comment
<b>Fund Value</b>	£8089.8m	N/A	£8333.5m at end September.
<b>Performance Against Benchmarks</b>	Qtr -2.8%  Equity protection added to the return by 2.2%  YTD 1.4%  Equity protection added to the return by 1.0%	Qtr -4.2%    YTD 0.2%	Global economic growth prospects have deteriorated in the last few months. The slowdown has been broad based with trade disputes, Brexit, rising interest rates and the strong dollar all playing a part in this. There was a sharp correction in equity markets with the MSCI All world index falling by 10.6%. This fall was driven by high valuations, weaker earnings expectations, a sharp fall in the oil price and a reduction in risk appetite with a noticeable rotation away from highly valued

momentum stocks into more defensive value-oriented stocks. Bond yields declined as investors looked for safer homes for their money.

### 3. Responsible Investment

Area under Review	Activity During Quarter	Target	Status/Comment
<b>Responsible Investment</b>	Investment Strategy statement was revised to make direct reference to the new investment management arrangements with Border to Coast		
	Annual Review of the Authority's Responsible Investment Review in conjunction with Border to Coast.		
Shareholder Engagement	Voting is now implemented through the arrangement with Border to Coast who use Robeco as adviser. Shares are now voted on globally.		

### 4. Valuing Our Employees

Area under Review	Activity During Quarter	Target	Status/Comment
<b>Staff Turnover</b>	3 Leavers	Annual 4.25%	The UPM Team Manager left the Authority for personal reasons in November, as did the Technical Team Manager. One (p/t) junior pensions officer
	0 New Starters		

			also left following a short illness.
<b>Staff Training</b>	One pensions officer sat and passed the internal retirements exam and is now studying/being trained for the next exam on the schedule in late March 19.	Plan 100% up to date	Technical team have provided a number of training sessions on topics to small specific staff groups as well as refresher sessions to larger groups.
<b>Sickness Monitoring</b>	3.4% total	None	A further modest reduction in sickness of 0.3% compared with previous quarter.

## 5. Pensions Planning

Area under Review	Activity During Quarter	Target	Status/Comment
<b>Interactive Facilities</b>	12 new employer contacts registered for EPIC this period  MyPension	N/A	490 employers now registered for Epic. There are 3 employers (covering 27 active members) not registered.  Registration is still on the increase with 1,908 new registrations this quarter taking the number of members registered in total to 13,881.
<b>Face to Face Communication</b>	349 Advisory Sessions held represents a 27% reduction in appointments from the previous quarter. Efforts continue to reduce unnecessary	Less than 0.5% complaints	6 complaints received – 4 were relating to employer delays, 2 were related to aggregation issues (being addressed by the project).

	appointments without reducing the service to members where face to face meetings are requested.		
<b>Employer Activity</b>	7 New Employers (all Academies)  0 Terminations	N/A	There are currently 504 employers, of which 493 have active members.

## **Pensions Authority Strategic Objectives**

### 6. Effective & Transparent Corporate Governance

<b>Area under Review</b>	<b>Activity During Quarter</b>	<b>Target</b>	<b>Status/Comment</b>
<b>Internal Audit</b>	October – Internal Audit Progress report considered by CP&GB	100%	On target
<b>External Audit Reports /Plans</b>	October – External Audit Annual Audit Letter considered by CP&GB	100%	On target
<b>Risk Management Annual and Quarterly Reports</b>	October - Risk Register considered by CP&GB	100%	On target
<b>Constitution Policy /Procedure</b>		100% Up to date	
<b>Financial Reporting</b>	October - Budget Monitoring report considered by CP&GB	100% achievement of reporting schedule	On target.
<b>Annual Governance Statement Conclusion</b>		No Significant Weaknesses	Actions continuing.
<b>Annual Self-Assessment</b>			No significant issues

Area under Review	Activity During Quarter	Target	Status/Comment
<b>Member Training</b>	<p>October – 1 member attended LGC Investment Seminar</p> <p>November – 5 members attended BCPP Annual Conference</p> <p>November – 1 member attended DCLG Infrastructure event</p> <p>November – 1 member attended SPS Investment Conference</p> <p>November – 2 members attended Schroders Trustee training</p>	100% Induction & fundamentals training &	<p>92% had induction.</p> <p>67% had fundamentals training</p>