

<b>Subject</b>	<b>Corporate Planning Framework</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	23 January 2020
<b>Report of</b>	Fund Director		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
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## **1 Purpose of the Report**

- 1.1 To introduce the suite of reports covering the annual update of the Authority's Corporate Planning Framework.

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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Note the contents of this report**

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## **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

### **Customer Focus**

To design our services around the needs of our customers (whether scheme members or employers).

### **Listening to our stakeholders**

To ensure that stakeholders' views are heard within our decision making processes.

### **Investment Returns**

To maintain an investment strategy which delivers the best financial return, commensurate with appropriate levels of risk, to ensure that the Fund can meet both its immediate and long term liabilities.

### **Responsible Investment**

To develop our investment options within the context of a sustainable and responsible investment strategy.

## **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

## **Valuing and engaging our Employees**

To ensure that all our employees are able to develop a career with SYPA and are actively engaged in improving our services.

The Corporate Planning Framework is the mechanism through which the Authority ensures the delivery of its objectives and hence it impacts on all of the corporate objectives.

## **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report have no specific implications for the Corporate Risk Register, although the Risk Register itself forms a key part of the Corporate Strategy.

## **5 Background and Options**

- 5.1 The series of reports which follow this one on the agenda for this meeting of the Authority represent the first annual update of the Corporate Planning Framework following the major refresh carried out last year. This report presents a brief overview of the reports that follow and highlights the key issues that this update seeks to address.

### *Context*

- 5.2 This update is being produced in the context of:
- The completion of the 2019 Valuation which reflects a significant improvement in funding levels with many employers in surplus.
  - Continuing significant challenges to the administration of an already complex scheme from issues such as GMP reconciliation and the impact of the McCloud case.
  - A continuing sharp increase in the number of employers within the Fund.
  - The ongoing process of pooling the Authority's investments within structures provided by Border to Coast.
  - An increasing focus on the good governance of LGPS funds flowing both from the Scheme Advisory Board and the Pensions Regulator.
- 5.3 Context within the organisation is also important. Over the last 12 months a significant restructure of the Pension Administration Service has taken place and we have begun to make progress across a range of areas in updating policies and working practices which have not been re-examined for some considerable time. This means that we will start next financial year with a significant number of relatively new staff. This makes it important that the Corporate Planning Framework is constructed in such a way that it is clear to every member of staff what their role is in delivering the overall plan.

### *Contents of the Corporate Planning Framework Update*

- 5.4 This update of the Corporate Planning Framework is made up of the following elements:

- **The Corporate Strategy** – This has been updated to include a new framework of management behaviours which is intended to form part of a process of changing the overall culture of the organisation towards one that actively engages and empowers employees. In addition the planned actions within the strategy have been organised as four programmes of work each led by a member of the Senior Management Team. This is intended to make it easier for staff to understand how they fit in to delivering the whole. The way in which the action plan has been constructed involving managers from across the organisation is also in itself an important development in the way in which we operate.
- **The Medium Term Financial Strategy** – This sets out the financial framework for the coming three years covering both the Authority’s Operating Budget and the Fund. The broad aim of the framework is to allow continued improvement in the quality of service and investment performance while remaining relatively low cost.
- **The Budget for 2020/21** – This presents proposals for an unchanged Operating Budget for 2020/21 with significant redirection of resources to address priorities. This is a significant result for the Authority which will see the impact of improvements in the quality of service as a result of the new investment with its costs (as a result of growth in the value of investments) representing a proportionately smaller call on the Fund.
- **The Levy for 2020/21** – This should have come to the scheduled December meeting of the Authority and represents the call on the District Councils in relation to the remaining unfunded pension liabilities of the former South Yorkshire Metropolitan County Council. This is a gradually reducing sum.

5.5 This update to the Corporate Planning Framework represents a significant next step in the process of changing how the organisation is run, more staff have been involved in different elements of the process and the process has been more open than previously. This gives our team more ownership of both the process and the goals that it sets for both them and the organisation.

## 6 Implications

6.1 The proposals outlined in this report have the following implications:

Financial	None directly from this report
Human Resources	None directly from this report
ICT	None directly from this report
Legal	None directly from this report
Procurement	None directly from this report

**George Graham**

**Fund Director**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>