

Subject	Corporate Strategy Update	Status	For Publication
Report to	Authority	Date	23 January 2020
Report of	Fund Director		
Equality Impact Assessment	Not Required	Attached	No
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1 Purpose of the Report

- 1.1 To secure approval of the updated Corporate Strategy Covering the next three years.

2 Recommendations

- 2.1 Members are recommended to:
- a. **Approve the updated Corporate Strategy at Appendix A.**
 - b. **Authorise the Fund Director to revise dates for projects within the Strategy in consultation with the Chair in the light of changed information prior to 31 March 2020.**

3 Link to Corporate Objectives

- 3.1 This report sets out the activities to be undertaken to deliver all of the Corporate Objectives listed below over the next three years:

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.

4 Implications for the Corporate Risk Register

- 4.1 The draft Corporate Strategy set out in Appendix A contains an updated Corporate Risk Register reflecting both what might be described as “usual” risks which exist in any Pension Fund environment (such as that around cash flow) and specific risks associated with projects identified within the Corporate Strategy.

5 Background and Options

- 5.1 The Corporate Strategy is the centrepiece of the Authority’s Corporate Planning Framework which is updated every year as some projects in support of the Corporate Objectives are completed and others are added in. A more comprehensive review takes place every third year aligned with the actuarial valuation. This report presents this year’s first update following last year’s fundamental review.
- 5.2 This update reflects a significant development in the way in which we undertake our corporate planning process. Over the last 12 months significant work has been undertaken to develop the skills of our managers and to create a more coherent management group beyond the Senior Management Team. Consequently the projects outlined in this update to the Corporate Strategy have been developed by this wider management group as a collective focussing on identifying projects around a theme of: “investing in technology to empower our people”. These projects are of course in addition to the major activities that we have to undertake on a regular basis such as actuarial valuations and the continuing transition of assets into Border to Coast’s pooling vehicles, and reacting to external developments such as the Good Governance review. The intention of this different approach has been to ensure ownership of the Corporate Strategy by as wide a group of managers as possible so as to create a stronger link to individual objectives and thus improve accountability for the delivery of the Authority’s programme of continuous improvement.
- 5.3 The key elements of the update are as follows:
- A strengthening of the values and behaviours framework through the addition of additional behaviours and expectations of managers which have been developed collectively by the wider management group.
 - The refinement of the action plan element of the strategy around a smaller number of “programmes” each led by a member of the Senior Management Team, although with individual projects being led by individual managers.
 - The creation of more explicit links between the action plan and the budget.
- 5.4 In general this creates a focus within the Corporate Strategy on the delivery of smaller more focussed pieces of work which will achieve practical improvements to the

experience of members of staff across the organisation. This is important in creating a stronger series of links between the activities of individual members of staff and the delivery of the corporate objectives, the so-called “golden thread” which should run through any corporate planning process.

- 5.5 The action plan element of the attached Corporate Strategy was only finalised at a workshop at the end of the first full week of January and further work is ongoing to ensure that the proposed timescales are realistic and it is therefore suggested that the Fund Director is authorised to make any changes to dates required as a result of this work in consultation with the Chair.
- 5.6 This refresh to the Corporate Strategy continues the emphasis of the last 2 years on building an effective organisation which is capable of meeting the challenges which will face it over the coming years without having to undertake significant changes of direction.

6 Implications

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

Financial	The updated Corporate Strategy includes the delivery of a significant amount of development and improvement activity. These activities are in general focussed on making the organisation more efficient and effective, and thus should over time and following some initial investment result in either savings or increases in productivity. Any investment required can either be met within the resources included in the budget which appears elsewhere on the agenda, or from the Corporate Strategy reserve.
Human Resources	The Corporate Strategy includes a very significant investment in organisational and staff development activities which is supported by the budget. This investment will complement the ongoing fundamental review of HR policies and support the development of individuals so that they are able to deliver the organisation’s aspirations.
ICT	A number of the projects identified either require the purchase of additional software or the implementation of additional functionality within existing systems. The Authority has a level of internal ICT resource, however, it may be necessary to bring in additional resources on a short term basis to address potential workload peaks and ensure that support for business as usual can continue as well as allow development work to be delivered. Resources to support this are included within the budget and the relevant reserves identified to support specific projects.
Legal	There are no specific legal implications.
Procurement	A number of procurements will be required to deliver the Corporate Strategy and these will be carried out in line with Contract Standing Orders.

George Graham

Fund Director

Background Papers	
Document	Place of Inspection
Corporate Strategy 2019-22	https://www.sypensions.org.uk/Publications/Corporate-Policy