

Subject	Corporate Strategy Update	Status	For Publication
Report to	Authority	Date	21 st January 2021
Report of	Director		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	George Graham Director	Phone	01226 772887
E Mail	ggraham@sypa.org.uk		

1 **Purpose of the Report**

- 1.1 To secure approval of the updated Corporate Strategy covering the next three years.
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2 **Recommendations**

- 2.1 Members are recommended to:
- a. Approve the updated Corporate Strategy at Appendix A.**
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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 the current Corporate Risk Register reflecting both what might be described as “usual” risks which exist in any Pension Fund environment 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 the second update in the current three year cycle.

- 5.2 Every aspect of the Authority’s work over the last 12 months has been fundamentally affected by the Covid-19 pandemic. By the time the vaccine roll out is estimated to have achieved some sort of critical mass (around Easter) the Authority’s staff will have been working at home for over 12 months, with some newer staff never having been into the office. While services have been maintained and many corporate strategy projects have progressed over the course of the year progress has generally been slower than planned and some of the significant investments intended in developing our staff have not progressed as HR resources and senior management attention have been focussed on more immediate issues. The impact of this can be seen in the development areas highlighted in the staff survey which appears elsewhere on the agenda for this meeting.

- 5.3 Given this context this update carries forward a number of projects from the previous update and reschedules completion of some longer term projects to reflect the impact of Covid-19 on the previously planned timelines. The agenda remains broadly the same with a focus on:

- Investing in the development of staff to ensure that we maximise the benefits achieved from the capabilities we already have including an emphasis on the development of management and supervisory skills.
- Investing in technology to improve our business processes and ensure that we are able to provide the best possible service to our customers, as well as ensuring that appropriate resources are available to support the delivery of projects of this sort.
- Delivering the changes to the investment strategy including the move to a net zero target.
- Meeting the requirements of changes in the regulatory framework such as the new stewardship code, and
- Delivering the Authority’s new accommodation as approved at the last meeting.

- 5.4 In addition specifically in response to the recommendations contained in the Hymans Robertson Governance Review an additional corporate objective has been added related to scheme funding. This does not necessarily reflect any change in emphasis but does provide greater transparency about what the Authority is seeking to achieve in this area.
- 5.5 The original intention had been to develop this update to the Corporate Strategy through a process of engaging as many staff as possible. Due to the impact of the pandemic this has not been possible and therefore there has been a focus on ensuring that as many of the messages from the staff survey as possible are reflected in the projects included in this update. It remains the intention to run as inclusive a process as possible next year which will represent the next major review point for the strategy. This activity will be scheduled for the autumn of 2021.

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

Director

Background Papers	
Document	Place of Inspection