



**SOUTH YORKSHIRE
PENSIONS AUTHORITY**

**South Yorkshire Local
Pension Board
ANNUAL REPORT 2020/21**

Foreword

Welcome to the 5th annual report of the South Yorkshire Local Pension Board (LPB).

The Board seeks to assist the South Yorkshire Pensions Authority to maintain effective and efficient administration and governance. The LPB comprises in equal numbers, scheme members, which includes the three recognised trade unions, and employer representatives.

My thanks go to founder member of the Board, Kevin Morgan nominated by Unite, who has taken early retirement and resigned from the Board as a result. Councillors Tony Damms and Tosh MacDonald also left the Board during the year and I thank them for their contributions. Welcome to our newest members Councillor Mike Chaplin (Sheffield CC) and Danny Gawthorpe nominated by Unite. A huge personal thank you to all members of the Board for your continued diligence, support and commitment.

Finally, on behalf of the Board I would like thank the staff at the Authority for continuing to deliver the pensions service throughout the pandemic. Your efforts are very much appreciated by the Board.

Garry Warwick, Chair

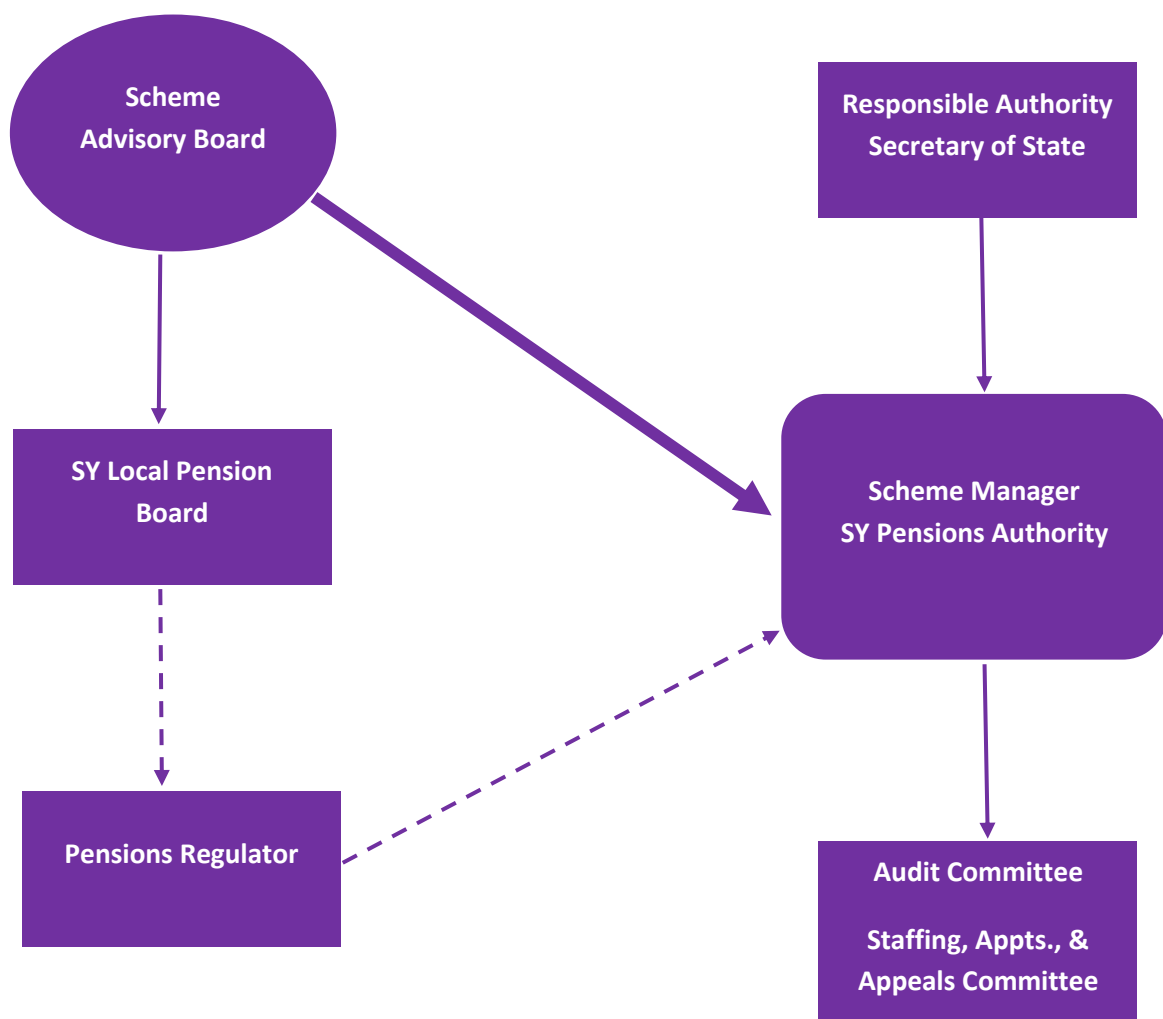


Role of the Local Pension Board

The role of the Local Pension Board as defined by Sections 5(1) and (2) of the Public Service Pensions Act 2013 is to:

- Secure the effective and efficient governance and administration of the LGPS for the South Yorkshire Pension Fund;
- Provide the Scheme Manager with such information as it requires to ensure that any member of the Local Pension Board or person to be appointed to the Local Pension Board does not have a conflict of interest;
- Ensure the South Yorkshire Pension Fund effectively complies with the Code of Practice on the Governance and Administration of Public Service Pensions Schemes issued by the Pensions Regulator and is effectively managed and administered in compliance with the Code.

Governance Structure



Membership during the Year

Name	Date of joining	Nominated by/Representing:
Employee Representatives		
Nicola Doolan-Hamer	July 2015	Unison
Garry Warwick (Chair)	July 2015	GMB
Daniel Gawthorpe	June 2020	Unite
Andrew Gregory	July 2019	Selected from active, deferred and pensioner members
David Webster	October 2019	
Employee Representatives		
Nicola Gregory	January 2018	Academies
Steve Loach	October 2019	Local Authority (Senior Manager)
Rob Fennessy (Vice Chair)	April 2019	Other Large Employers (South Yorkshire Police)
Councillor Tosh McDonald	July 2019 [1]	Local Authority
Councillor Mike Chaplin	July 2019 [2]	Local Authority
Independent Advisor		
Clare Scott	October 2019	

[1] to January 2021

[2] replaced Cllr Damms from March 2020

Meeting Attendance

Member and employer representatives giving their time freely. Attendance at the Board's meetings through the year was as follows:

	23 July 2020	15 Oct 2020	28 Jan 2021	22 Apr 2021	% att
Employee Representatives					
Nicola Doolan-Hamer	✓	✓	✓	✓	100
Garry Warwick	✓	✓	✓	✓	100
Daniel Gawthorpe	x	✓	✓	✓	75
Andrew Gregory	✓	✓	✓	✓	100
David Webster	✓	✓	✓	✓	100
Employer Representatives					
Nicola Gregory	✓	✓	✓	✓	100
Steve Loach	✓	✓	✓	x	75
Rob Fennessy	✓	x	✓	✓	75
Cllr Tosh McDonald	x	x	x	n/a	0
Cllr Mike Chaplin	✓	✓	✓	✓	100
			Average attendance		82%

Work of the Board 2020/21

The minimum number of meetings is set as four in the Board's Constitution.

The Board has a Work Programme which provides the basis for the agendas for its meetings. During the year, as well as receiving regular updates on the effect of and response to the Covid-19 pandemic, the Board's agendas included a range of issues covering both governance and pension administration:

Governance:

- **Decisions of the Authority** - Members of the Board receive all agenda papers issued to Members of the Pensions Authority and Board members are able to observe meetings of the Authority.
- **The Constitution** – The Board approved revisions to its Constitution following the annual review.
- **The Pensions Regulator** – The Board was updated on current levels of compliance with TPR Code of Practice 14.
- **Risk Management** – Considered the Risk Register and the wider risk management framework.
- **Annual Report and Accounts** – Reviewed the Authority's Annual Report and Accounts.
- **Governance Compliance Statement** – Reviewed the Authority's revised Governance Compliance Statement.
- **Governance Review** – The Board considered the findings of the Hymans Robertson governance review.
- **Regulatory Changes** – The Board has been kept informed of the potential impact of regulatory changes such as the McCloud Judgement and the £95k cap.
- **Actuarial Valuation** – Considered the outcomes of the 2019 valuation process.
- **Border to Coast** – Reviewed the governance arrangements of the Border to Coast Pensions Partnership.

Pensions Administration:

- **Pensions Administration Performance** – The Board received quarterly administration performance reports.
- **Breaches Complaints and Appeals** - The Board received quarterly reports on breaches, complaints and appeals.
- **Data Quality Improvement** – The Board monitored progress on the Data Quality Improvement Plan.
- **Guaranteed Minimum Pension Reconciliation** – The Board has been kept informed on the progress of this exercise.

Review of Effectiveness

During March 2021, members of the Board completed a survey and held a workshop to agree potential changes in the way the Board works to improve its effectiveness. The survey included questions on the Board's Constitution, the way meetings are conducted and knowledge, skills and capacity.

The results of the survey were positive in a number of areas. All (or a significant majority of) members of the Board agreed that:

- The Constitution clearly describes the Board's functions and responsibilities.
- Board papers are timely, relevant and focused on priorities.
- Discussions are facilitated to allow all Board members to contribute in order to seek opinion and develop ideas.
- Board members are not afraid to ask obvious or simple questions to ensure collective understanding.
- Board discussions are not unduly influenced by an individual's views, experience or expertise.
- Meeting minutes are accurate and record decisions made and actions agreed.
- The Board works in an open and transparent manner.
- All Board members act with integrity, declaring and managing any personal conflicts of interest.
- Board members work collaboratively to develop good working relationships.
- The Board's independent adviser helps to Board to fulfil its responsibilities.

A number of areas for improvement were highlighted in relation to training, the Board's Work Programme and the maximum term members can serve on the Board. The Board will work with the Authority to put these improvements in place.

Training and Development

During the year, Board Members have attended the following training events. It should be noted that Board members in key Covid-19 response positions had limited opportunities to attend events in current circumstances. Whilst places on paid events continue to be limited due to the pandemic a much larger number of free and online events, which are easier to attend, have been available.

Event	Date	Attendees
CIPFA LPB Event	24.06.20	G Warwick, D Webster
Property Pooling Seminar	02.07.20	D Webster
McCloud Implementation Workshop	19.08.20	M Chaplin, N Gregory, G Warwick
Investment Risk Management Seminar	17.09.20	M Chaplin, A Gregory, D Webster
BCPP Annual Conference	02.10.20	N Doolan-Hamer
LGA – Legal Structure of the LGPS	06.10.20	M Chaplin, A Gregory
LGA – Investment Framework of the LGPS	07.10.20	A Gregory
CIPFA Introduction to the LGPS	07.10.20	M Chaplin
LGA – Governance & Oversight of the LGPS	08.10.20	A Gregory
Authority Seminar – McCloud and other Administration Issues	29.10.20	M Chaplin, N Doolan-Hamer, A Gregory, G Warwick, D Webster
Barnet Waddingham LGPS Training	30.10.20	A Gregory
Responsible Investment Seminar	12.11.20	M Chaplin, N Doolan-Hamer, G Warwick, D Webster
LAPFF Webinar	03.12.20	M Chaplin
Barnet Waddingham LGPS Training	26.01.21	N Doolan-Hamer
LGA LGPS Update	26.01.21	G Warwick
LGA LGPS Update	15.02.21	D Webster
CIPFA Spring Seminar	22.02.21	N Gregory, D Webster
Fiduciary Duty and Responsible Investment	24.03.21	M Chaplin, N Doolan-Hamer, R Fennessy, D Gawthorpe, A Gregory, N Gregory, S Loach, G Warwick, D Webster

Future Plans

Over the coming year, the Board will aim to:

- Review its Work Programme;
- Work with the Authority to develop the Board's approach to training and member's knowledge and understanding;
- Monitor the Pensions Regulator's changes to its Codes of Practice and review the Authority's compliance;
- Continue to oversee the Authority's risk management approach;
- Monitor governance arrangements both within the Authority and the Border to Coast Pensions Partnership;
- Continue to oversee the Authority's efforts to improve pensions administration data;
- Work closely with the other Local Pension Boards within our Pensions Partnership to share best practice.

Local Pension Board Spending for 2020/2021

Local Pension Board Budget 2020 / 21	2020/21 Budget	2020/21 Forecast Outturn	2020/21 Q4 Variance	2020/21 Q4 Variance
	£	£	£	%
Independent Adviser	6,060	6,030	(30)	(0.50%)
Room hire and catering	690	0	(690)	(100.00%)
Printing and Postage (Agendas etc.)	750	0	(750)	(100.00%)
Member travel expenses (Meetings)	500	0	(500)	(100.00%)
Training and associated travel and subsistence	6,000	1,135	(4,865)	(81.08%)
Total	14,000	7,165	(6,835)	(48.82%)