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SOUTH YORKSHIRE
PENSIONS AUTHORITY

Date: 18 February 2026

To: MEMBERS OF SOUTH YORKSHIRE LOCAL
PENSION BOARD

This matter is being dealt with by: Governance Team
Direct Line: 01226 666448
Email: governanceteam@sypa.org.uk

Dear Member

South Yorkshire Local Pension Board
Thursday, 26 February 2026

A meeting of South Yorkshire Local Pension Board will be held at **Oakwell House, 2 Beevor Court, Pontefract Road, Barnsley, S71 1HG on Thursday, 26th February, 2026 at 10.00 am.**

The agenda is attached.

Yours sincerely

G Taberner

Gillian Taberner
Director and Clerk

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SOUTH YORKSHIRE LOCAL PENSION BOARD

THURSDAY, 26 FEBRUARY 2026 AT 10.00 AM, OAKWELL HOUSE, 2 BEEVOR COURT, PONTEFRACT ROAD, BARNSLEY, S71 1HG

AGENDA

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1	Welcome and Apologies		
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SOUTH YORKSHIRE PENSIONS AUTHORITY

LOCAL PENSION BOARD

6 NOVEMBER 2025

PRESENT: Riaz Nurennabi (Employer Representative and Chair), David Webster (Employee Representative and Vice Chair), Cllr David Nevett (City of Doncaster Council), Cllr Linda Beresford (Rotherham MBC), Nicola Gregory (Employer Representative), Andrew Gregory (Scheme Member Representative), Kimberley Bond (Employer Representative) Sheldon McClure (Unite) and Rhona Bywater (Unison)

        Neil Mason (Independent Adviser to the Board)

        Officers in Attendance: George Graham (Director) Gillian Taberner (Director Designate), Debbie Sharp (Assistant Director – Pensions), Andrew Stone (Assistant Director – Investment Strategy) Jo Stone (Head of Governance and Corporate Services), Annie Palmer (Team Leader – Governance)

1   WELCOME AND APOLOGIES

The Board welcomed Rhona Bywater who has been appointed as the Unison Union Representative and Kimberley Bond who has been appointed as an Employer Representative.

Apologies for absence were received from Shelagh Carter (GMB).

2   ANNOUNCEMENTS

None

3   URGENT ITEMS

None

4   ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS

RESOLVED: Item 16 and 17 were considered in the absence of Public and Press by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

5   DECLARATIONS OF INTEREST

Declarations were received from Neil Mason in relation to his role as Director of Surrey Pension Fund and Independent Chair of the London Borough of Hounslow

Local Pension Board and Riaz Nurennabi and Nicola Gregory as participating employers in relation to any valuation items.

6   MINUTES OF THE MEETING HELD ON 7 AUGUST 2025 AND ACTIONS AND MATTERS ARISING

RESOLVED: The minutes of the meeting of the Board held on 7 August 2025 were agreed as a true record.

7   REVIEW OF ACTION TRACKER

Members requested that action 60 in relation to updates to the Constitution remain on the tracker until the outcome of the review of the terms of reference as part of the Board effectiveness review in 2026.

In addition members asked officers to provide an update in relation to progress made since February on action 51 in terms of incorporating the "Days of Work to Target" onto the dashboard for each project. The Assistant Director - Pensions set out the work that was currently taking place with both the Service Manager Benefits and Service Manager - Programmes and Performance to analyse the processing targets and develop an efficient format for monitoring and reporting. It was noted that our target percentage is 100% however more realistic targets are being considered where appropriate. It was explained that once the assessment is complete a plan would be developed and brought back to members for review with a target for quarter one next year for this to take place.

Members were supportive of the adjustment to realistic targets and requested that when the plan is presented that both previous and new targets are captured for comparison.

Members queried if the pensions administration system was impacting negatively on the work to assess the targets. The Service Manager Benefits explained that whilst there were some processes that do not always measure target dates correctly due to being on hold pending further information, this was not the case for a lot of the processes. Members were also asked to note that there are large number of different processes that potentially could be aggregated for reporting purposes.

RESOLVED: Members noted updates and agreed the items proposed to be closed be actioned before the next meeting of the Board, subject to the comments noted.

8   GOVERNANCE, REGULATORY AND POLICY UPDATE

The Head of Governance and Corporate Services presented the report to provide Board members with an update on current governance related activity and regulatory matters.

The report highlighted that the membership of the board is now complete with two new members filling the vacancies with training ongoing for both new and existing

members. Members were asked to note that there was a common trend for members requesting wider knowledge and understanding of Border to Coast and the Authority / Fund's role within the partnership and that Officers are exploring options to support this.

Members queried if there are any FCA compliance issues with the Pensions Dashboard AVC provider arrangements. The Assistant Director – Pensions confirmed that we have three AVC providers. We will be collecting their data from them and taking full responsibility for ensuring that the information links to the dashboard. Members were given assurance that data checks have been carried out and memorandums of understanding will be signed to ensure clarity around the responsibilities of each party.

Members welcomed the positive attendance at external events by board members and commented on the value of attending these events but questioned how feedback and learning can be captured and fed back through to all LPB members. The Head of Governance and Corporate Services agreed to review this with a view to capturing feedback, similar to what currently takes place with our internal seminars.

Members asked for an estimated timeline for a response to the letter sent by the Scheme Advisory Board to the Local Government Minister around the calls to divest from investments that are seen to support the recent conflict in the Occupied Palestinian Territories. The Director explained that the Scheme Advisory Board were awaiting a response but suggested that this would likely take some time, although an update will be provided as soon as available.

RESOLVED: Members noted the updates included in the report.

9   UPDATE ON DECISIONS MADE BY AUTHORITY

The Head of Governance and Corporate Services provided Local Pension Board members with an update on decisions made by the Authority and its Committees, and any decisions taken under the urgency procedure between meetings of the Authority.

Members asked for an update on the recruitment process for the Assistant Director – Resources. The Director Designate confirmed that the detailed recruitment timetable would be based on the date set for the Appointments and Appeals Committee which is scheduled to take place on 10 March 2026 and that our partners at North Yorkshire Resourcing will be supporting the Authority with the process.

RESOLVED: Members noted and commented upon the decisions included in the report.

10   CORPORATE RISK REGISTER

The Team Leader – Governance provided members of the Board with the opportunity to review the updated risk register which supports the corporate strategy.

Members asked for clarification on the increase in risk score around imbalance in cashflows and asked why the risk score for affordability of employer contributions had not reduced alongside this. The Director Designate explained that this was due to the timing of the valuation progress and confirmed that there will be a corresponding reduction in the contributions affordability risk score that will be reflected in the next review.

Members also discussed the Pensions Review risk, commenting on the increased consistency of the position resulting in a reduced risk score and asked for assurance that this reflected the potential outcome. They also requested detail around the mitigations being implemented to manage the transition of new partner assets. The Director gave assurance that there is a reasonable level of confidence in the current position and confirmed that although the risk has reduced from red to amber it will still need close monitoring. He explained that the Company's approach to the transfer of partner assets is to run a parallel process for both existing and new assets and these are being resourced individually.

Members commented on the red risks, supporting the rationale for no change at this review, but questioned if there were any issues that they needed to be aware of for each of the risks. The Director confirmed that the risks around the backlogs and McCloud would be discussed in more detail as part of the agenda items and set out the intention to review the climate change risk to assess if it will be appropriate to reframe and apply mitigations that are within the control of the Authority. It was explained that the Investment Strategy review will feed into this and any likely revisions to the risk would materialise during the next municipal year.

Members highlighted that the figures in the summary details in the risk matrix did not tally and it was explained that this is a snapshot of the current position taken from the live system but in future the detail will be pulled from the system at the time of the update.

RESOLVED: Members noted and commented upon the revised corporate Risk Register at Appendix A.

11   INDEPENDENT GOVERNANCE REVIEW ACTION PLAN

The Director Designate presented the report to provide Board members with an update on the progress made on each of the actions that have previously been reported to the Board on the independent governance review (IGR).

The Independent Adviser questioned if and when the Cyber Security Strategy would be presented to the Board for review. The Director Designate explained that the strategy is an internal facing document that has been approved internally and that, due to the nature of its contents, would not be published publicly. In order to give members assurance that cyber security is being addressed appropriately it was agreed that arrangements would be made for the Head of ICT to provide an

update on an annual basis to Board and Authority members. It was also highlighted that the TPR Code update that will be presented to the Board in February will include updates in relation to Cyber Security.

It was also confirmed that the work around the Business Continuity Plan would form part of the TPR Code update in February. The Director Designate provided an update highlighting that the plan has been signed off and teams are now working on the next layer of operational procedures.

Members requested an update around the Investment Strategy project, and it was agreed that an update be provided at the next meeting. The Director confirmed that an update would also form part of the Members Training and Development Day on 20th November and that Board members were invited to attend the Authority and LPB Seminar on the Investment Strategy Review Analysis taking place on the 18 December.

RESOLVED: Members noted the updates and welcomed the progress against the Governance Review action plan.

12   LOCAL PENSION BOARD BUDGET 2026-27

The Director Designate presented the report setting out the current forecast budget outturn for 2025/26 and the proposed budget for 2026/27

**RESOLVED: Members
a. Received and commented on the proposed 2026/27 LPB budget of £52,810.
b. Recommended the draft LPB budget to the Authority for approval as part of the Authority's overall budget.**

13   QUARTERLY PERFORMANCE REPORT

The Assistant Director – Pensions presented the Pensions Administration Quarterly Report giving the latest information on work undertaken in Quarter 2 2025-26.

Attention was drawn to the additional detail now included around the movement across membership and members queried if the figures included spouses of deceased members. It was confirmed that the figures did reflect this along with any dependents.

It was noted that the table around reported breaches required retotalling.

The Assistant - Director Pensions highlighted progress around Pensions Dashboards (PDB) and explained the issues around the scope of the penetration testing carried out by the Integrated Service Provider (ISP) not meeting all required PDB criteria. Members commented that the ISP should have checked the PDB requirements and it was confirmed that the ISP acknowledged the gaps in the initial set up and this is now being rectified.

Members questioned what the Authority's liabilities were within the contract for the Pensions Administration System. It was explained that the contract with the

provider is to deliver the system to enable the correct calculation of benefits to allow the Authority to perform its duties under LGPS legislation. The Assistant - Director Pensions clarified that as the Pensions Administrator the Authority are liable for any breaches of legislation that may be due to the failure of the administration system although under the terms of the contract the provider would be liable if any costs were incurred by the Authority due to a failure of the system.

Members asked what the position would be if the current pensions administration system provider took a decision to no longer offer this service. The Assistant - Director Pensions explained that this is not the feedback that is being given from them but if this did happen then a new provider would need to be contracted with, and as discussed earlier in the report this pool is very limited.

A discussion took place around the delayed Pensions Dashboard connection date and it was confirmed that the Authority as administrator would be in breach if connection is not met by end of January 2026 and, as a result, will need to report itself to the Pensions Regulator.

The Independent Adviser commented on the positive formation of the customer collaboration group in relation to the pensions administration software. He also raised a query in relation to the progress of the clearing of backlogs and how work is being targeted within the teams in relation to complexity. The Assistant - Director Pensions confirmed that a plan has been developed that will look to focus resource on more simple calculations to newer staff with a view to freeing up more experience staff to carry out more complex ones.

Members reviewed the figures in the table in relation to casework processing and requested that future reports include the outstanding balances at both the start and the end of the period. Members also requested further detail around the late refund payment breaches reported in the period. The Assistant - Director Pensions explained that, under the current regulations, where a late refund payment exceeds five years this is classed as a breach.

Members questioned if the additional overtime to clear the backlogs had an allocated amount in the budget. The Director Designate explained that overtime is not generally budgeted for but that an underspend in the forecasting on salaries due to vacancies has funded this. It was also highlighted that there is a robust process in place for monitoring health and wellbeing of the staff who are working over the standard hours.

RESOLVED: Members noted the contents of this report with comments.

14   VALUATION 2025

The Assistant Director – Pensions updated members on the 2025 triennial Valuation to comply with Regulation 62 of the Local Government Pension Scheme Regulations 2013 and confirmed that this is on track with the final report scheduled to be present to the Authority meeting in December.

Members discussed the revised approach to setting the floor on contribution rates following feedback from councils that the Authority were being overly prudent and the Assistant Director – Pensions explained the position of needing to protect the fund as well as being fair to employers. The Director also clarified the approach to the calculation of how the floor on contributions has been set.

Members also asked if there was a potential for Multi Academy Trusts to bring together academies from other regions into the scheme under one scheme. It was confirmed that this is currently being consulted on but that the basis to implement a change will be as a result of mutual agreement.

RESOLVED: Members accepted the report with comment and indicated any areas where they would like to receive further detail.

15   SCHEDULING OF LOCAL PENSION BOARD NEXT MEETING AGENDA

The Head of Governance and Corporate Services set out the draft agenda for the next meeting of the Board for discussion and included progress on the work programme for the current year.

Members requested they receive updates on the Investment Strategy at the next meeting and this was added to the agenda.

RESOLVED: Members discussed and commented on the draft agenda for the February 2026 meeting as set out in paragraph 5.1 of the report.

RESOLVED: Items 16 and 17 were considered in the absence of Public and Press by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

16   UPDATE ON POOLING PROGRESS

The Director presented an update to the Board on developments with the pooling process and the admission of new partners to the Border to Coast Pensions Partnership. The report set out the funds that have indicated their intention to join the partnership and highlighted the process for admission. It was noted that the admission of the funds would result in creating one of the largest investment funds in the UK.

Members discussed how the new alliances and decision making would be managed whilst ensuring that the Authority's objectives and investment strategies are still implemented and noted that the mechanisms for this would be developed as the partnership progressed.

RESOLVED: Members noted the progress made with the admission of new partners to the Border to Coast Pensions Partnership.

17   BORDER TO COAST ANNUAL REVIEW

The Assistant Director – Investment Strategy presented the conclusions and recommendations of the Annual Review of the Border to Coast Pensions Partnership conducted with the Investment Advisory Panel.

Members discussed the report noting that the conclusions drawn are largely positive but noted concerns around the people risks and specifically turnover in the Company's senior management team leaving gaps in local government knowledge and expertise. The Assistant Director – Investment Strategy confirmed that this type of change is not unusual in financial organisations. Members also discussed the importance that the public sector ethos and culture needs to be managed by Border to Coast to ensure this continues to be applied by portfolio managers.

RESOLVED: Members noted the content and conclusions and raised questions and challenges for discussion.

CHAIR

South Yorkshire Pensions Authority Local Pension Board Action Tracker

Action Ref	Meeting Date When Action was Set	Agreed Action (Completed actions listed first)	Responsible Officer	Status	Update	Target Date for Completion
60	07 August 2025	Make amendments requested to the Constitution update before publishing	Governance Officer	In progress	**Aug update -** Amendments approved by board during August meeting, subsequently finalised and uploaded onto the website. The ToR will be reviewed further as part of the effectiveness review in March 2026. Any new actions arising from the review will be logged as a new action at that time. **December update -** Board agreement to keep action open until effectiveness review completed in March 2026 **February update -** Ongoing, will be revised post March effectiveness Review	Mar-26
48	07 November 2024	Bring McCloud Plan to LPB	Assistant Director - Pensions	In progress	Will be incorporated in the quarterly report as soon as available. **July Update** - still waiting for latest developments from Civica to be live and working in UPM to be able to plan rectification activity. **Oct Update;** Latest developments currently being tested and awaiting outcomes of this. **Dec 2025 update -** Latest UPM McCloud release in Live system environment - now testing capabilities. Running reports/functionality from WC 8 December, it is hoped that the output from this functionality will feed into the manual Rectifications required. A further release is expected for Summer 2026. **February Update -** rectification plan attached at appendix B to Feb Board report. This plan will be added to as errors are fixed and functions developed.	01/11/2025 - change to 31/08/2026
51	20 February 2025	Pension Admin Q Report: Add 'Days of Work To Target' onto the dashboards for each project	Assistant Director - Pensions	In progress	**July 2025 Update -** Benefits Service Manager, AD - Pensions and SM Programmes and Performance working together to agree best way to report the Power BI Dashboard Output to Board. **Oct Update;** still being worked on. **Dec 2025 update -** Service Manager for Programmes and Performance working with Benefits Service manager on LPB reporting. **February Update -** still in progress - on target for reporting Benefits processing statistics from Q1 26/27.	Feb-26
58	07 August 2025	Evaluate how LPB and Authority can work together when producing Effectiveness Reports	Head of Governance and Corporate Services	close	Meeting with LPB and Authority C and VCs held 11 August 25 covering the topic: agreed some Authority and LPB members could meet in person to discuss (potentially at Member Away Day) **Dec 2025 update -** Agenda item for discussion at 8th Jan LPB pre meeting **February update -** Actions agreed for 2026/27 Effectiveness Review approach to capture feedback from LPB/Authority during their individual effectiveness Reviews	Apr-26
61	07 August 2025	Casework Processing - include acceptable tolerance on targets KPI's for processing leavers, deaths, retirements, transfers and divorce cases	Assistant Director - Pensions	In progress	**Oct Update -** tied in with action 51 - subject to resource time to extract data and provide in the format requested. **Dec 2025 update -** As in 51 - Service Manager for Programmes and Performance working with Benefits Service manager on LPB reporting. **February Update -** accepted tolerance is 90% . This is included in the narrative of the report. This can be closed.	Feb-26
63	06 November 2025	Revise Member L&D Strategy 2026/27 to include training on cyber security updates	Head of Governance and Corporate Services	In progress	**Dec 2025 update -** Work commenced on L&D strategy 26/27 an annual training session will be scheduled for Cyber Security and following individual L&D assessments, training identified will be included in the strategy. **February Update -** L&D Strategy drafted, will be presented to the Authority 12/03/26 and LPB 23/04/2026. Cyber Training scheduled for June 2026	Apr-26
64	06 November 2025	Performance quarter report adding outstanding figure at the start and end of the period page 64 of the report	Assistant Director - Pensions	In progress	**Dec 2025 update -** As in 51 - Service Manager for Programmes and Performance working with Benefits Service manager on LPB reporting. **February Update -** linked to Performance Manager and Benefits Service Manager realigning reporting output. Expected new reporting format from 01.04.2026.	Apr-26

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SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	**Governance, Regulatory and Policy Update**	Status	For Publication
Report to	Local Pension Board	**Date**	26 February 2026
Report of	Head of Governance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Jo Stone, Head of Governance and Corporate Services	**Phone**	01226 666418
E Mail	jstone@sypa.org.uk		

1   Purpose of the Report

To provide Board members with an update on current governance related activity and regulatory matters.

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2   Recommendations

2.1   Board Members are recommended to:

a. Note the updates included in this report.

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3   Link to Corporate Objectives

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

Effective and Transparent Governance

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

3.3   The contents of this report are part of the arrangements in place to ensure good governance.

4   Implications for the Corporate Risk Register

4.1   The actions outlined in this report relate to actions that will contribute to addressing risks around regulatory compliance.

5   Background and Options

5.1   This report provides updates on current activities and regulatory matters relevant to the Authority's overall governance framework.

Government Consultations

5.2 Following the Government's pensions review and the "LGPS – Fit for the Future" consultation outcomes, the Pension Schemes Bill was published and is now progressing through the parliamentary process. The Bill is currently at Committee stage in the House of Lords.

5.3 The Government issued two draft statutory instruments for consultation that will implement the Fit for the Future proposals including those in the Pension Schemes Bill. These are:

    a. the Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026 and

    b. the Local Government Pension Scheme (Amendment) Regulations 2026.

5.4 These regulations will be supported by statutory guidance and require compliance from 1 April 2026, subject to passage of the Bill. The Government issued a draft version of the statutory guidance in a closed consultation with administering authorities, through the Scheme Advisory Board.

5.5 Both consultations were for a short period only; the consultation on the regulations was issued on 20 November and required responses submitted by 2 January. The closed consultation on the draft guidance was issued on 8 December with responses required by 12 January.

5.6 The main requirements in these regulations and supporting guidance include the following.

5.7 Pooling and Investment

    a. Administering authorities (AAs) required to delegate the implementation of their investment strategy to their asset pool.

    b. AAs required to take principal investment advice from their pool.

    c. All assets to be controlled and managed by the relevant asset pool.

    d. Minimum standards for pools, including FCA authorisation and capacity to manage local investments.

    e. AAs required to co-operate with the relevant strategic authority to identify and develop appropriate local investment opportunities. This requirement may be delegated to the AA's asset pool company.

5.8 Governance

    a. AAs required to have regular independent governance reviews aligned with valuation cycles.

    b. AAs to have a Governance Strategy, Training Strategy and Conflicts of Interest Policy – these may be combined into one document.

    c. Requirement to appoint / designate a Senior LGPS Officer by 1 October 2026.

    d. Requirement to appoint an Independent Person by 1 October 2026, who will be a non-voting member, to advise on all matters relating to investment, administration and governance.

5.9 The Authority's officers contributed to the development of a collective response from Border to Coast to both consultations. In addition, we submitted separate responses on behalf of the Authority to both consultations.

5.10 It remains the case that the Authority is broadly welcoming of the changes and is committed to delivering the policy intent effectively. In this respect, from both a pooling and our individual fund governance perspective, we are starting from a strong position with the right foundations in place to achieve this.

5.11 The detail in the regulations and in the statutory guidance are very important for ensuring that the requirements can be practically delivered. The main points in the

responses to the Government therefore focus on the key issues where it is considered that further clarity is required or where there are practical considerations that may require amending to ensure that the intent can be achieved in reality.

5.12 This includes a specific issue for the Authority in our context as a single purpose administering authority, regarding the wording in the draft regulations on the role of the Senior LGPS Officer.

5.13 The consultation responses submitted are available within the 12 February Authority meeting papers as appendices to agenda item 16.

Finance (No 2) Bill

5.14 The Finance (No. 2) Bill was introduced to Parliament on 4 December 2025 and had its second reading on 16 December 2025. The Bill includes amendments that will bring most unused pension funds and death benefits within the value of an individual's estate for inheritance tax purposes, effective from 6 April 2027.

National Insurance Contributions (Employer Pensions Contributions) Bill

5.15 The National Insurance Contributions (Employer Pensions Contributions) Bill was introduced to the House of Commons and had its first reading on 4 December 2025. It had its second reading on 17 December 2025. The Bill follows the recent Budget announcement to cap, from 6 April 2029, the value of pension contributions made through salary sacrifice that can benefit from employee and employer national insurance contributions relief. The Bill extends to England, Wales, Scotland and Northern Ireland. It amends the Social Security Contributions and Benefits Act 1992 and the equivalent legislation in Northern Ireland and gives regulation-making powers to enable the Government to implement the changes. These proposals relate solely to salary sacrifice arrangements and do not impact LGPS member or employer contributions.

PASA paper on the Data (Use and Access) Act 2025

5.16 The Pensions Administration Standards Association (PASA) has published a new paper called 'The Data (Use and Access) Act 2025 Unpacked: Six Key Areas for Pension Schemes.' It explains the 2025 Act and related guidance from the Information Commissioner's Office, focusing on what pension schemes need to know and do. Officers will ensure best practice and action any areas to ensure compliance. PASA highlights six areas that schemes should understand and act on:

    a. automated decision making
    b. digital verification services and the trust framework
    c. recognised legitimate interests
    d. subject access requests
    e. data protection complaints
    f. looking ahead

Training, Succession Planning and Collaboration

5.17 Across the Authority and LPB, all members are 100% compliant with mandatory training requirements. Members are asked to ensure the Current Issues Module on LOLA is monitored and ensure any new learning posted be completed upon receipt.

5.18 Work has commenced on the member Learning & Development Strategy, which will include coverage to meet the training requirements identified in the member self-assessments and individual one-to-one annual review sessions that took place earlier in the year. The Strategy will be presented to members at the April 2026 LPB meeting.

5.19 The LPB Chair and Vice Chair attended the annual Employer forum in November 2025 to promote the Board and its work. The Chair's presentation was well received. Whilst there was a good attendance of employers, it would be valuable to see a wider representation at future annual meetings.

5.20 Authority and LPB Members attended the annual member CPD training and development day in November 2025. The feedback provided has been reviewed. Overall, feedback on the event was very positive. Some of the comments regarding areas for potential improvement were as follows.

5.21 The venue was difficult to access due to parking issues, and it has been agreed that the venue will be rotated across all four districts for future away days. This provides fairness for Members travelling to the event.

5.22 Comments from some of the respondents included that they felt the agenda was "Investment" heavy and requested we cover other areas of the organisation with more interactive sessions next time. This concern is understood. The general approach we aim for with this annual event is to cover themes across Investments, Pensions Administration and Governance. The timing of this event in 2025 meant that we took the opportunity to seek member views on the Investment Strategy Statement review, so this was the focus of the morning. The afternoon topics covered governance themes. However, as the main governance agenda item was on conflicts and lobbying, this was more investment focussed than would usually be the case. The feedback on this point will be taken account of when planning the programme for the next event in November and we'll aim to ensure more balanced coverage of the different themes.

5.23 Feedback comments also included a request for Civica provide the further assurance required on progress with McCloud developments as discussed in that session.

5.24 Finally, the discussion in relation to questions from members of the public at Authority meetings and the arrangements for these are being drafted into a proposal of improvements to be presented to the Authority in March.

Implications

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

Financial	There are no direct financial implications arising from this report.
Human Resources	None
ICT	None
Legal	None
Procurement	None

Jo Stone
Head of Governance and Corporate Services & Monitoring Officer

Background Papers	
Document	**Place of Inspection**
Authority Members' Registers of Interests	Link to: Your Members - South Yorkshire Pensions Authority

SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Update on decisions made by the Authority	Status	For Publication
Report to	Local Pension Board	Date	26 February 2026
Report of	Monitoring Officer		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Jo Stone Head of Governance and Corporate Services	Phone	01226 666418
E Mail	jstone@sypa.org.uk		

1   Purpose of the Report

1.1   To provide Local Pension Board members with an update on decisions made by the Authority and its Committees, and any decisions taken under the urgency procedure between meetings of the Authority.

―――

2   Recommendations

2.1   Board Members are recommended to:

   a. Note the decisions included in this report.

―――

3   Link to Corporate Objectives

3.1   This report links to the delivery of the following corporate objective:
   Effective and Transparent Governance

   To uphold effective governance always showing prudence and propriety.

3.2   The contents of this report are part of the arrangements in place to ensure good governance and that the Local Pension Board is enabled to scrutinise the decision making of the Authority in relation to the administering of the South Yorkshire Pension Fund.

4   Implications for the Corporate Risk Register

4.1   The contents of this report will contribute to addressing risks around regulatory compliance.

5   Background and Options

5.1   This report provides an update for the Local Pension Board on decisions taken by the Authority in the period since the last meeting of the Local Pension Board. (Excluding any substantive items already included in reports elsewhere on the Board's agenda).

5.2   There has been one meeting of the Full Authority and one meeting of the Authority's Audit & Governance Committee since the last report to the Board.

5.3   The tables below set out the decisions of the Audit & Governance Committee on 04 December 2025 and the decisions of the Authority taken at its meeting on 18 December 2025. Any reports that the Authority or the Committee simply noted / commented upon are not listed separately in the table but are available to view on the relevant meeting on the website using the links provided.

Table 1:

Decisions Made at Audit & Governance Committee Meeting 04 December 2025	
Full agenda and the public reports referred to below are available here: Agenda for South Yorkshire Pensions Audit & Governance Committee on Thursday, 4th December, 2025, 10.00 am - South Yorkshire Pensions Authority	
Item 6: Minutes of the meeting held on 02/10/2025	**Members agreed that the minutes as presented for the A&G Committee held on 02 October 2025 were a true and accurate record.**
Item 9: Annual Review – Risk Management Framework	The Head of Governance and Corporate Services presented the annual review of the Risk Management Framework for the Committee to consider.
	Members requested further detail on mitigation measures for the Pensions Review risk, and in particular questioned what measures Border to Coast are putting in place to manage this risk. The Director confirmed that Border to Coast is recruiting additional officers to address the increase in asset management requirements also applying a sensible phasing and strong project management approach.
	Members also questioned if the risk score associated with McCloud rectification requires revisiting following discussions with the pensions administration software provider. The Director Designate explained that the current score for this risk already reflects the position set out in recent discussions with the provider and that the likelihood is scored as high.
	Discussions took place around what development and testing is still required and how this could impact on the required deadlines. Officers gave assurance that the Authority is working closely with the Pensions Regulator to communicate progress or issues but highlighted that this would not necessarily avoid regulatory fines in the event of a breach. It was noted that if delays are due to the late implementation of the system, then there would be other pension funds, who contract with the same pensions administration system provider, in a similar position.
	Members referred to the Appendix 1 of the Risk Management Framework and questioned what other policies and measures were in place to support all staff in understanding their role in risk management. The Head of Governance and Corporate Services gave examples of the policies in place to support staff such as the Whistleblowing and the

	Decisions Made at Audit & Governance Committee Meeting 04 December 2025
	Anti-Fraud, Bribery and Corruption Policies and explained that risk management training is delivered to Middle Managers with a view to that knowledge being shared with their teams, especially in the management of the Operational Risk Registers.

Members noted that risk IAF-004 Imbalance in Cashflows has the greatest movement of risk score and asked if this is one of the areas that will be focused on as part of the 2026 strategy review and development. The Director Designate assured members that this was the case and that cashflow and liquidity is one of the three key issues being considered in the development of the Investment Strategy. It was confirmed that this was also a key outcome from feedback the Members Away Day held in November.

The Director added that the impact of the material change in cashflows will be greater in future years and that the Investment Strategy would need to be adjusted to address this.

Members considered whether any additions or changes are required to the Risk Management Framework presented.

Approved the updated Risk Management Framework for publication. |
| Item 11: Local Code of Corporate Governance | The Head of Governance and Corporate Services presented the biennial review of the Local Code of Corporate Governance for the Committee to consider, explaining that the Annual Governance Statement is the process which demonstrates on an annual basis how the Authority is complying with the Local Code.

Members reviewed and approved the updated Local Code of Corporate Governance for publication. |

Table 2:

Decisions Made at Authority Meeting 18 December 2025	
Full agenda and public reports referred to below are available here: Agenda for South Yorkshire Pensions Authority on Thursday, 18th December, 2025, 10.00 am - South Yorkshire Pensions Authority	
Item 7: Minutes of the meeting held on 04 September 2025	**Members agreed that the minutes as presented for the Authority Meeting held on 04 September 2025 were a true and accurate record.**
Item 9: Approval of the Funding Strategy Statement	The Assistant Director – Pensions presented the Funding Strategy Statement to secure approval, noting that the policy has been updated to encompass the statutory guidance and assumptions and considerations in the 2025 Valuation, this came as a draft in September and has since been out to a full consultation with employers. Four employers responded to the consultation, engaged with the process and have confirmed they accept the policy. Members raised questions on climate scenario stress testing and gender pensions gap. **Members approved the revised Funding Strategy Statement.**
Item 10: Valuation Results	The Assistant Director – Pensions presented the Fund Actuary's report on the outcome of the 2025 Valuation to seek approval on the employer contribution rates for the 3 years from 2026/27 set out in the rates and adjustments certificate, referencing Members to points 5.2-5.3 of the report which summarises at the position as of 31st March 2025 regarding fund assets, liabilities, funding level and average contribution rates. Members noted that past performance doesn't guarantee future returns and sought assurance that our assumptions aren't based solely on historical results, and there is confidence that even if returns fell to 4.2% or lower, the Fund would still be able to meet its obligations. The Actuary noted that they must report on the funding level every three years, which gets a lot of attention but is highly sensitive to market conditions. Higher expected returns are boosting the funding level at this Valuation; however, the required return is a much more stable measure at 3.5% which is unchanged from the previous Valuation, and it isn't affected by short term market movements. **Members noted the results of the 2025 Valuation carried out by the Fund Actuary set out in the report.** **Approved the employer contribution rates set out in the rates and adjustments certificate to apply for the three years starting 1st April 2026.**

Decisions Made at Authority Meeting 18 December 2025	
Item 12: Approval of the Levy 2026/27	The Acting Assistant Director – Resources presented a report to seek approval of the Levy for 2026/27 under the Levying Bodies (General) Regulations 1992. **Members approved a total levy of £251,566.00 for 2026/27 in accordance with The Levying Bodies (General) Regulations 1992, to be allocated to the District Councils in proportion to their approved council tax base shares.**
Item 18: Annual review of Border to Coast's Responsible Investment Policies	The Head of Responsible Investment at Border to Coast introduced and summarised the Annual Review of Border to Coast's Responsible Investment Policies. Mr Manuel added that until now these policies have been reviewed annually, but that now the development of these policies has reached a level of maturity, the Border to Coast Board has agreed to move to a three yearly review cycle. This would provide a more stable policy environment which would be conducive to implementing the policy intent. It was noted that should there be a reason to review the policies in the interim, this would happen and that the voting guidelines would continue to be set every year. **Members endorsed the updated policies.** **Cllr Dimond requested that his dissent be noted for the record.**
Item 19: Update to SYPA's Statement of Investment Beliefs	The Assistant Director – Investment Strategy presented the update to SYPA's Statement of Investment Beliefs, noting that the review of the statement was driven by the Government's *Fit for the Future* consultation and the opportunity has been taken to update other aspects of the document, where appropriate. Members welcomed the statement and questioned whether this just formalises what we already do or signals a shift toward more passive management. The Assistant Director – Investment Strategy responded that this change in the beliefs statement is simply opening up the option to use passive management. The beliefs statement has only been in place since 2019, and at that time Border to Coast had no passive funds available. Now that these options exist, it's quite possible we would want to use them. The Director noted that the Fund is now much larger than in 2019 and relying too heavily on certain active strategies could increase risk. Adding passive options would help diversify our equity exposure and gives Border to Coast fund managers more flexibility when managing the 40% equity allocation. **Members approved the updated Investment Beliefs Statement.** **Cllr Dimond requested that his dissent be noted for the record – on the basis that he disagrees with the addition of passive management because this does not allow for exclusion.**

Decisions Made at Authority Meeting 18 December 2025	
Item 20: Update on Pensions Administration Improvement Plan	The Assistant Director – Pensions presented a report to update the Authority on the Pensions Administration Improvement Plan and a consultation opened by MHCLG on the Local Government Pensions Scheme in England and Wales, Access and Protections. Members asked whether they could be provided with a preview of the Pensions Dashboard. The Assistant Director – Pensions assured Members that once it reached a point where it could be showcased, it will be shared either during a meeting or at a separate training session. Members raised that in SYPA's response to the consultation, on the normal minimum pension age issue, there is concern around category 2 members losing protection for service they have already transferred and that they may have made different decisions if this fact was known at the time and asked whether there was any prospect of challenge to this. The Assistant Director – Pensions responded that most Funds will be raising this point in their responses to Government, to highlight that this could present a significant challenge. The Director added that the Local Government Pensions Committee, which is the employer-side body within the LGA, was of the view that there shouldn't be any protections, given the administrative burden it could create and the risk that this could lead to another situation like that of McCloud. The Trade Unions view is that the rights at the age of 55 are a valuable benefit to members and understand that the age must increase but want to keep protections as far as possible. **Members noted and commented on the 2025/26 plans for Administration improvement that are in place.** **Delegated the response to the consultation to officers.**
Item 21: Pensions Administration Strategy	The Assistant Director – Pensions presented the Pensions Administration Strategy to secure approval following a full consultation with Employers in the Fund. **Members approved the revised Pensions Administration Strategy.**

Decisions Taken Between Meetings Under the Urgency Procedure

5.4   Since the last report to the Authority, there has been one decision taken under the urgency procedure between meetings of the Authority regarding the requirement for a Shareholder Resolution.

Shareholder Resolution: Approval of Investment and Data Platform Budget

5.5   Border to Coast Shareholders were asked to approve a resolution to approve additional budget for a single investment data platform as part of the Company's 2030 strategy. The budget required is to cover the costs to support the implementation and

for the operational running costs. These will be shared equally among the 18 partner funds.

5.6 For commercial reasons the details of the work cannot be published, however the information was shared in full with the Chair of the Authority. Following discussions the Chair confirmed support for approving the resolution.

Implications

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

Financial	No direct implications.
Human Resources	No direct implications.
ICT	No direct implications.
Legal	No direct implications.
Procurement	No direct implications.

6.2 Implications of each of the items on which a decision was made are listed in the relevant reports for those items.

Jo Stone

Head of Governance and Corporate Services & Monitoring Officer

Background Papers	
Document	**Place of Inspection**
-	-

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SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Corporate Risk Register Update	Status	For Publication
Report to	Local Pension Board	Date	26 February 2026
Report of	Director		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Annie Palmer Team Leader Governance	Phone	01226 666404
E Mail	apalmer@sypa.org.uk		

1   Purpose of the Report

To provide members of the Board with the opportunity to review the updated risk register which supports the corporate strategy.

───

2   Recommendations

2.1   Members are recommended to:

a. Note and comment upon the revised corporate Risk Register at Appendix A.

───

3   Link to Corporate Objectives

3.1   This report links to the delivery of all the corporate objectives because the corporate risk register is focussed on assessing and managing the range of risks to the organisation in meeting any of these 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.

4   Implications for the Corporate Risk Register

4.1   The actions outlined in this report address the entirety of the risk landscape facing the Authority.
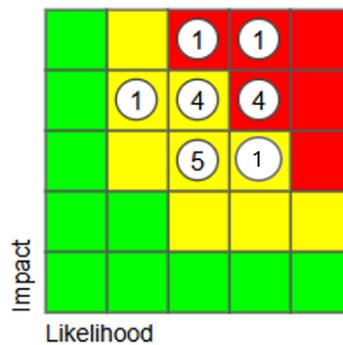

5   Background and Options

5.1   The Board's workplan requires it to review the Authority's Corporate Risk Register regularly. The latest version of the Register, which was considered by the Authority at its meeting on 18 December 2025, is attached at **Appendix A**.

5.2   The register is held on a risk management software system, enabling a more streamlined process for reviewing, recording and reporting risks as well as assisting managers through the use of triggers and action reminders for example.

5.3   The results of the latest review of the Authority's risks undertaken in November 2025 are set out in the commentary shown in the final column of the table in the report.

As a result of this latest review, one risk score has increased, four have reduced and there is one new risk as explained below.

5.4   Risk *IAF-001 Material changes to the value of investment assets and/or liabilities* – has increased score from 12 to 16. The increase of this risk score is driven by the strengthening of the external consensus that the Artificial Intelligence market gains have created a bubble which could soon pop. Should the bubble pop, this could lead to material volatility across financial markets, with potentially large losses of asset values within the Fund. Additionally, the geopolitical uncertainty remains at an escalated level.

5.5   Risk *IAF-003 Border to Coast Strategic Plan* – has reduced score from 12 to 9. The risk score has been lowered following the agreements being in place to bring 7 new partners into Border to Coast, which has been a key step risk mitigation. Border to Coast still have a significant amount of work to do including developing the investment advisory role, before we would expect the risk score to be at target.

5.6   Risk *IAF-005 Employer contributions become unaffordable* – has reduced score from 12 to 9. The risk score has reduced following the significant progress of the Valuation work. The substantive Valuation work has been completed, with a good degree of certainty around the funding position and contributions rates for employers. At the 2025 Valuation the Fund is 142% funded, this strong position enables a proportion of the surplus to be returned to employers through a reduction in contributions rates.

5.7   Risk *IAF-010 The Pensions Review* – has reduced score from 12 to 9. After a review of the planning work done to date, it indicates there is a measured approach being taken to the transition of new partner assets. A measured approach will help to ensure other developments can continue broadly as planned, bringing the risk score to target.

5.8   Risk *PEO-003 Single person risk in specialist knowledge roles* – has reduced score from 12 to 9. Business continuity planning work has now been completed, which has

identified and implemented mitigations relating to single person risk in the event of a business continuity incident. The risk score is now at target but will remain on the risk register in a monitoring state to ensure the outstanding actions are completed.
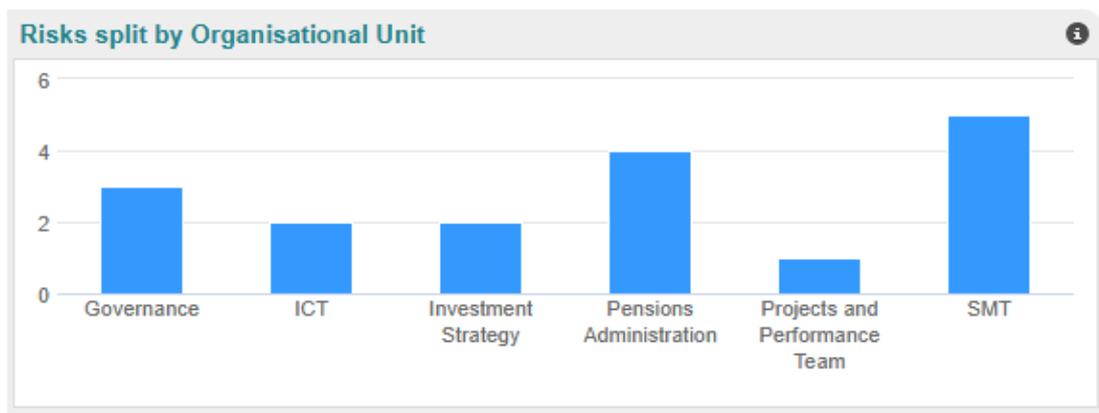
5.9   Risk *ORG-009 Major ICT Failure* – is a new risk with score of 12 and target score of 9. As part of the operational risk review process, it was determined that the risk of Major ICT Failure should be escalated to the Strategic Risk Register. The use of technology is critical in all facets of the work of the Authority and the Fund. There are already a significant number of preventative measures in place.

5.10   There were no other changes to risk scores.

5.11   The risk register is kept under review and discussed at monthly senior management team meetings. The next quarterly update of the risk register is scheduled and will be reported to the February meeting of the Authority.

5.12   Extracts from the strategic risk dashboard are shown below to give an overview of the current position. The system functionality enables officers to drill down from dashboards such as these to analyse in further detail and to enter updates to risk scores and commentary for the quarterly updates. The numbers shown in the extracts below all refer to the count of individual risks within each of the relevant infographics. There are 17 risks currently on the register in total.

Aggregated Strategic Risk Register Matrix:

		1	1	
	1	4	4	
		5	1	

Impact / Likelihood

Total risks at a score of under 15	Total risks at a score of 15 or over
11	6

Risks split by Organisational Unit

Governance	ICT	Investment Strategy	Pensions Administration	Projects and Performance Team	SMT
3	2	2	4	1	5

The dashboard also shows how individual risks link through to each of our Strategic Objectives as shown below. Note that some risks link to more than one of these objectives.

Risks across the Strategic Objectives

5.13   The Board are asked to review the Risk Register and in particular to consider whether any significant areas of risk are not captured.

6   Implications

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

Financial	None directly from this report but mitigation of individual risks will have implications.
Human Resources	None directly from this report but mitigation of individual risks will have implications.
ICT	None directly from this report but mitigation of individual risks will have implications.
Legal	None directly from this report but mitigation of individual risks will have implications.
Procurement	None directly from this report but mitigation of individual risks will have implications.

Gillian Taberner

Director

Background Papers	
Document	**Place of Inspection**
None	N/A

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Corporate Risk Register

Generated on: 07 November 2025

South Yorkshire Pensions Authority – Corporate Risk Register

The following report sets out the register of strategic level risks. The risk scores are shown on a matrix of impact and likelihood – this equates to scores as shown on this key:

IMPACT					
5 Very High	5	10	15	20	25
4 High	4	8	12	16	20
3 Medium	3	6	9	12	15
2 Low	2	4	6	8	10
1 Very Low	1	2	3	4	5
	1 Very Low	**2** Low	**3** Medium	**4** High	**5** Very High

LIKELIHOOD

Next to each current risk score and matrix in the table, an icon is included to show the trend in the score since the previous review.

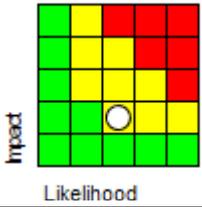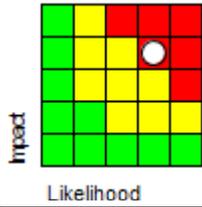Indicates no change in score from the previous review.

Indicates the risk score has reduced since the previous review.

Indicates the risk score has increased since the previous review.
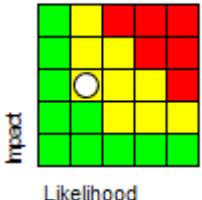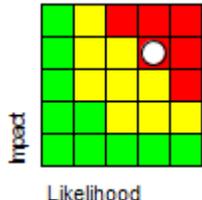
The results of the latest review resulted in one risk having its current score increased and four risks having their current score decreased. One new risk has been added to the register, ORG-009 Major ICT Failure.

This table provides a high-level summary of the risks on the register that follows:

Risk Ref	Risk	Previous Score	Score	Risk Rating	Trend
ADM - 001	Poor data quality	12	12	🔺	▬
ADM - 002	Backlogs in work flows	16	16	🔴	▬
ADM - 003	McCloud Rectification	16	16	🔴	▬
GOV - 001	Local Pension Board and Authority Members Knowledge and Understanding	12	12	🔺	▬
GOV - 003	Delivery of Key Objectives in Corporate Strategy	8	8	🔺	▬
GOV - 004	Failure to apply data protection requirements.	12	12	🔺	▬
IAF - 001	Material changes to the value of investment assets and/or liabilities	12	16	🔴	⬆
IAF - 002	Failure to mitigate the impact of climate change	20	20	🔴	▬
IAF - 003	Border to Coast Strategic Plan	12	9	🔺	⬇
IAF - 004	Imbalance in cashflows	15	15	🔴	▬
IAF - 005	Employer contributions become unaffordable	12	9	🔺	⬇
IAF - 010	The Pensions Review	12	9	🔺	⬇
ORG - 002	Cyber security attack	16	16	🔴	▬
ORG - 004	Failure of the Authority to comply with relevant Regulations	12	12	🔺	▬
ORG - 009	Major ICT Failure	New Risk	12	🔺	
PEO - 002	High level of vacancies within the organisation	9	9	🔺	▬
PEO - 003	Single person risk in specialist knowledge roles	12	9	🔺	⬇

Risk:	ADM - 001 Poor data quality	Risk Owner:	Assistant Director – Pensions
		Last Review:	30-Oct-2025

Risk effect:
Reputational Impact
Regulatory and financial penalties
Failure to deliver key projects such as McCloud rectification on time
Provision of inaccurate information and payment of benefits to members
Inaccurate data impacting the valuation of liabilities during the triennial valuation.
Increased delays to backlogs contributing to further increases

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Ongoing development of data improvement plan.
Dedicated Programmes and Performance Team
Use of DART to run daily validations (200)
Projects Team resource to target highlighted issues - bulk data corrections.
Use of Hymans data cleansing tool as part of valuation process.
Targeted overtime with focus on priority casework	Implementation of front end validation of employer data submissions.
Use of DART to run daily validations (200 per day)
New system testing, releases and updates
Dedicated systems team in place Issues and errors reported to System Providers
Checking process in existing systems.
Targeted staff overtime worked
Capacity exercise outcomes have been implemented and a dedicated team resourced	Further preventative measures to be assessed to address route cause
		In house system improvements and efficiencies
		Robust contract management
		Targeted staff training

Target matrix and score:

Target score: 6

Current matrix and score:

Trend: ▬

Current Score = 12

Commentary from latest review:

Data Quality Strategy authorised and in place.

Data improvement plan in place for Valuation 2025. Early feedback received from actuary that the data has improved. Internal feedback from ABS exercise again shows that data has improved.

Data corrections for annual exercises have been undertaken and are now captured on the Monitoring and Reviewing activity document. Dashboards to be developed to understand and monitor our data quality in real time.

The impact of the introduction of the policy and monitoring cannot yet be assessed so there is no justification to reduce the score at present.
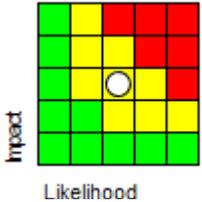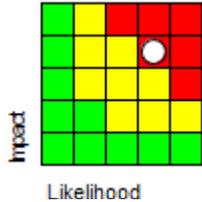
Risk:	ADM - 002 Backlogs in work flows	Risk Owner:	Assistant Director – Pensions
		Last Review:	30-Oct-2025

Risk effect:	Declines in the overall level of service performance. Regulatory penalties Reputational Damage

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Capacity planning exercise has been undertaken. An action plan considering a range of specific actions to address aspects of problems identified has been developed and is being worked through.	Improved processes and staff training Targeted overtime to focused areas Changes to work tray allocations Outcomes of Capacity Planning implemented - Dashboard in place for teams to enable close monitoring of workloads in against workloads completed. Pre live launch testing processes in place.	Continuation of implementation of the action plan (particularly the automation of certain bulk processes) will provide some mitigation in the interim
		Review of processes and policies

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Target matrix and score:	Target score: 6	Current matrix and score:	Trend: ▬ Current Score = 16

Commentary from latest review:	The overarching action plan that was approved in February 2024 is being monitored monthly. SMT are passed updates on progress which are discussed at regular meetings. As the initial budget for overtime had been spent the rate of clearing the backlog cases had slowed. The Service Manager Benefits set up a Taskforce team (each benefit team rotates monthly) to work solely on this area. This latest action did not increase clearing of the backlog more quickly, so overtime was reintroduced from October 2025. The backlog will not be cleared by 31 December 2025, the target date is to be revised to 31 March 2026. There is no reason to adjust the risk score at present.

Risk:	ADM - 003 McCloud Rectification		Risk Owner:	Assistant Director – Pensions
			Last Review:	30-Oct-2025

Risk effect:	Timescales to rectify members benefits not met. TPR fines and reputational damage.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
	SYPA and other Provider Clients working together to collectively drive the Provider to deliver the developments required to adhere to national guidance	McCloud - Rectification Plan to be implemented and team training put in place

Target matrix and score:

Target score: 6

Current matrix and score:

Trend:

Current Score = 16

Commentary from latest review: Determination made by the Authority at their June meeting to delay rectification to August 2026. But as determination is needed for everyone affected by McCloud, a report was also made to the Regulator in August 2025.

Latest system development issued November 2025 is there has been a further delay to the software update, which is proposed to be available June 2026. Officers are working with Civica to understand the requirements expected from this update in order to plan resourcing accordingly.

Even though we now have longer to deliver this project there is no justification to lower the risk score.

5

Risk:	GOV - 001 Local Pension Board and Authority Members Knowledge and Understanding	Risk Owner:	Head of Governance and Corporate Services
		Last Review:	05-Nov-2025

Risk effect:	Poorly informed decision making Regulatory / legislative non-compliance Insufficient questioning and challenge of officers.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Annual effectiveness review and action plan Identify changes to legislation and key regulatory requirements that require enhanced knowledge and skills development Continuation of collaborative engagement of Independent Advisors, Internal Auditors and Officers	Member Learning and Development Strategy and associated mandatory training requirements in place.	Continuous review of the pensions landscape for legislative and regulatory change

Target matrix and score:

Likelihood

Target score: 6

Current matrix and score:

Likelihood

Trend:

Current Score = 12

Commentary from latest review:	Further turnover in membership during Q2 means there is no justification to reduce the score at this stage. All new members continue to receive support with their training and induction.

6

Risk:	GOV - 003 Delivery of Key Objectives in Corporate Strategy	Risk Owner:	Head of Finance and Performance
		Last Review:	22-Oct-2025

Risk effect:	We will not deliver the service to our scheme members set out in our mission statement.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Programmes and Performance Management Team Established

Installed Programmes and Performance Management System

Programme Management framework implemented | Regular monitoring and review of objectives delivery | Performance Framework - Further implement and embed the Framework |
| | | Programme Management Framework - Further implement and embed the Framework |

Target matrix and score:		Current matrix and score:	Trend:
	Target score:6		Current Score = 8

| Commentary from latest review: | Score remains unchanged at present due to ongoing resourcing challenges; however positive steps are being taken will lead to a reduction in the risk score in due course.

The Project Management Methodology used to support our Corporate Strategy meeting our Objectives has been progressed through communications on new guidance and minor changes to processes, further embedding the process.

The supplementary performance management framework piece of work is ongoing. Further dashboards are being developed across the Authority following additional staffing resource being introduced to the team. A performance framework tracker is being designed to give clear visibility around which measures have been developed into dashboards and which are still ongoing. |
|---|---|

Risk:	GOV - 004 Failure to apply data protection requirements	Risk Owner:	Head of Governance and Corporate Services
		Last Review:	05-Nov-2025

Risk effect:	Financial or Regulatory penalties. Reputational damage to the organisation. Inability to deliver the service.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Data breach process followed to identify areas for improvement. Close liaison with DPO. Reporting to ICO and implementing any recommendations. Implementation of data recovery plan.	Access to expertise through BMBC Corporate Assurance Team and DPO. ICT control measures. Data protection policies, procedures and training in place. Phase 1 of information governance action plan fully completed. Data Protection Policies implemented and embedded. All mandatory staff training completed including team sessions to raise awareness of new processes.	Information Governance Action Plan Phase 2

Target matrix and score:	Target score:6	Current matrix and score:	Trend: Current Score = 12

Commentary from latest review:	Work on Phase 2 of the Information Governance action plan continues to progress. All internal teams have now completed their input to the Master Information Asset Register before our November 2025 deadline. This will inform further parts of Phase 2 including data retention policy and procedures. The work will continue over several months and therefore this risk score will not be reduced until complete.

Risk:	IAF - 001 Material changes to the value of investment assets and/or liabilities	Risk Owner: Assistant Director – Investment Strategy
		Last Review: 07-Nov-2025

Risk effect:	Sharp and sudden movements in the overall funding level

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Having a diversified Investment Strategy focussed on relatively lower risk and less volatile investments. Element of inflation protection built into the asset allocation both through specific assets (such as index linked gilts) and proxies such as property and infrastructure		Ability to implement protection strategies if market circumstances indicate they are appropriate.

Target matrix and score:

Impact / Likelihood

Target score: 9

Current matrix and score:

Impact / Likelihood

Trend: ⬆

Current Score = 16

	High geopolitical uncertainty remains.
Commentary from latest review:	Gathering consensus that the Artificial Intelligence market gains, which represent a large part of global equity markets, have driven the creation of a bubble that could soon pop. This could lead to material volatility and potentially large losses in value. As a result of this, the risk score has been increased to reflect higher likelihood and impact.

Risk:	IAF - 002 Failure to mitigate the impact of climate change	Risk Owner: Director
		Last Review: 21-Oct-2025

Risk effect:	Significant deterioration in the funding level

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Climate Change Policies and Net Zero Goals adopted by both the Authority and Border to Coast. Asset allocation tilted to favour more climate positive investments. Review of Investment Strategy following the 2022 Valuation to integrate the achievement of Net Zero within the Strategic Asset Allocation. Reporting in line with the requirements of TCFD and regular monitoring of the level of emissions from portfolios, with outline targets for reductions.	Climate Change Policies and Net Zero Goals adopted by both the Authority and Border to Coast	Additional engagement with Border to Coast to identify potentially climate positive investments.
		Analysis of end of year climate data to gain a detailed understanding of the current emissions trajectory.
		Clear targets for emission reduction to be set for remaining portfolios.

Target matrix and score:	Target score: 12	Current matrix and score:	Current Score = 20	Trend:

Commentary from latest review:	Work being carried out as part of the investment strategy review will give a clearer view on the actual trajectory of emissions. However, it is clear that it is unlikely that the current Net Zero goal will be achievable. Therefore, some degree of reassessment of both the goal and the way in which this risk is formulated will be necessary, to ensure the Authority's actions are able to have an impact.

10

Risk:	IAF - 003 Border to Coast Strategic Plan	Risk Owner: Director
		Last Review: 21-Oct-2025

Risk effect:	Decline in investment performance. Increased costs as a result of the need to move to more expensive products. Potential changes in the risk and volatility levels within the portfolio

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Programme of specific risk mitigations agreed as part of the 2022 - 2025 Strategic Plan and Budget	Process of engagement between the Company and stakeholders to agree the Company's Strategic Plan and Budget containing appropriate mitigations. Succession and contingency planning arrangements in place within the Company Ongoing monitoring of Programme of specific risk mitigations set out in 2022 - 2025 strategic plan	To be reviewed during Q3

Target matrix and score:	Target score: 6	Current matrix and score:	Trend: ⬇
			Current Score = 9

Commentary from latest review:	The agreement of all involved to bring 7 new partners into the Border to Coast partnership represents a key step in mitigating the largest risk facing achievement of the 2030 Strategy. While there is still much work to do, and in particular new services such as advisory to develop, these are broadly lower risk activities and SYPA is in a much better position to help shape them, than the process of bringing in new partners.

Risk:	IAF - 004 Imbalance in cashflows	Risk Owner: Assistant Director – Investment Strategy
		Last Review: 07-Nov-2025

Risk effect:	Inability to pay pensions without resorting to borrowing or "fire sale" liquidation of investments. Potential negative impacts on individual pensioners.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Process for monitoring and forecasting cashflows	Maintenance of "cash buffer" of liquidity sufficient to cover more than one monthly payroll.	Further improvements in cashflow forecasting
		Implementation of strategies to more regularly harvest income from investments

Target matrix and score:	Likelihood	Target score: 5	Current matrix and score:	Likelihood	Trend: Current Score = 15

Commentary from latest review:	The Investment Strategy Review is in its early stages. Looking at net cashflow position (including any income from assets too) will be one of the key elements we investigate as we progress. The elevated rating will remain until we have further clarity. Note: we have been aware of the expected reduction in contributions arising from the valuation results for some months now, this resulted in an updated risk rating back in July 2025.

Risk:	IAF - 005 Employer contributions become unaffordable	Risk Owner:	Assistant Director – Pensions
		Last Review:	30-Oct-2025

Risk effect: Increased contribution rates to the extent that they become unaffordable.
Default on the making of contributions by employers

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Phasing of increases and stabilisation mechanism in the valuation	Investment strategy that is focused on long term returns and reduced volatility	More systematic review of employer covenants
Negotiated exit depending on the type of employer 2. Ability to undertake contribution reviews	Reviews of employer covenant and ongoing monitoring of funding levels	More systematic use of the funding monitoring tools that the actuary gives us access to

Target matrix and score:

Impact / Likelihood

Target score: 6

Current matrix and score:

Impact / Likelihood

Trend: ⬇

Current Score = 9

Commentary from latest review: This risk concerns the fact that the overall financial environment for public services can mean that some employers will find contributions affordability an issue.

Covenants are monitored. Work is progressing towards the end on the 2025 Valuation with all employers having received their contributions rates for the period from 01/04/2026 to 31/03/2029, with all rates seeing a reduction of varying amounts. The Fund is 142% funded with a proportion of the surplus being returned through the reductions to contribution rates.

The funding position and reduction in contributions rates means there is a reduced likelihood of rates becoming unaffordable over the next 3 years, therefore the risk rating has reduced to a 9.

Risk:	IAF - 010 The Pensions Review	Risk Owner:	Director
		Last Review:	21-Oct-2025

Risk effect:	Destabilisation of the B2C pensions partnership. Inability to deliver the investment strategy. Regulatory action against the Authority if we fail to meet the Governance standard

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
The existing strong partnership through B2C. Strong governance arrangements as evidenced in the Independent Governance Review .		Ensure that steps are taken to address requirements as far as possible in advance of regulation
		Influence Final Guidance and Regulation

Target matrix and score:	 Likelihood	Target score: 9	Current matrix and score:	 Likelihood	Trend: Current Score = 9

Commentary from latest review:	The planning work done to date indicates a measured approach to the transition of new partner assets, which allows other developments to continue broadly as planned, allowing some reduction in the assessed impact of this risk.

Risk:	ORG - 002 Cyber security attack	Risk Owner:	Head of ICT
		Last Review:	30-Oct-2025

Risk effect:	Significant disruption to the provision of services. Loss / unauthorised release of key data. Reputational damage and financial penalties

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Effective ICT business continuity plan in place. Incident response retainer with specialist security provider Cyber Security Incident Management Policy in place. Further enhancement of Cyber Security defences	Internal facing Cyber Security Strategy now in place. Regularly updated policies, software and hardware e.g. firewalls etc. to ensure multi layer cyber security defences. Regular penetration testing. Cyber Security Essentials Plus Certification Regular refresher training on cyber security for all staff with a requirement to achieve a minimum level of pass. Policies and Codes of Practice in place Targeted threat protections Regular internal and external audits	Implementation of Internal Facing Cyber Security Strategy

<table>
<tr><td>Target matrix and score:</td><td>Impact ▲ / Likelihood →</td><td>Target score: 12</td><td>Current matrix and score:</td><td>Impact ▲ / Likelihood →</td><td>Trend: ▬
Current Score = 16</td></tr>
</table>

Commentary from latest review:	Several significant improvements to our cyber security defences continue to be explored/implemented, as detailed in the new SYPA Cyber Security Strategy. At this stage there is no justification to reduce the risk score.

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Risk:	ORG - 004 Failure of the Authority to comply with relevant Regulations	Risk Owner:	Head of Governance and Corporate Services
		Last Review:	05-Nov-2025

Risk effect:	Enforcement action by relevant regulatory authorities

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Regular reviews of key policies and processes	Service areas are aware of key points of reference for relevant regulations	Delivery of additional Data Protection training in roles and responsibilities for all staff, middle managers, and SMT
Ongoing process of awareness raising and training for staff in relation to operational matters	Reporting of compliance within relevant standards.	Implement and embed the Information Governance action plan in collaboration with Internal Audit at each stage of review
Oversight of key updates and awareness of milestone approvals	Assessment of compliance with TPR General code is in place.	More detailed assessment of compliance with emerging regulatory requirements. TPR General Code with associated action plan and enhanced regular reporting

Target matrix and score:

Impact / Likelihood
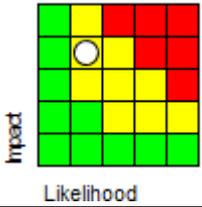
Target score: 8

Current matrix and score:

Impact / Likelihood
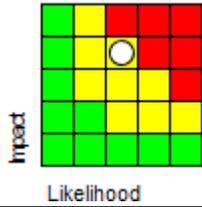
Trend:

Current Score = 12

Commentary from latest review:	Whilst progress is being made, in line with the last update there are still some outstanding items that are targeted for completion by Dec 2025. No justification for change at this stage.

Risk:	ORG - 009 Major ICT Failure – NEW RISK	Risk Owner:	Head of ICT
		Last Review:	07-Nov-2025

Risk effect:	Disruption to operations resulting in loss of data/data corruption, support arrangements with an increased chance of breaches. Potential reputational damage and financial implications.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Managed Detection & Response (MDR) Service E-Backup & Recovery Service Business Continuity Plan Maintenance and support contracts Uninterruptible Power Supply (UPS) High availability and hardware redundancy		Develop a Cyber Security Strategy (third party assurance reports)

Target matrix and score:	Impact / Likelihood	Target score: 9	Current matrix and score:	Impact / Likelihood	Trend: New Risk Current Score = 12

Commentary from latest review:	As part of the scheduled review process, the risk of Major ICT Failure has been escalated from the ICT Operational Risk Register to the Corporate Risk Register due to the potentially high impacts across the whole of the Authority's operations. Strengthening existing mitigations and preventative measures will continue, in addition to specific actions that have been identified in the new Cyber Security Strategy.

Risk:	PEO - 002 High level of vacancies within the organisation	Risk Owner: Director Designate
		Last Review: 05-Nov-2025

Risk effect:	Inability to deliver the service Negative impact on staff wellbeing Poor staff retention resulting in loss of specialist knowledge

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Capacity planning to identify additional resources. Regular one to ones, review of workload and work life balance. Promotion of wellbeing initiatives. Provision of Counselling, Occupational Health and Employee Assistance Programme. Investment in training and development. Market supplements to secure specialist roles. Develop action plan following 2023 employee survey	Career grade scheme in place to develop in house specialists. Targeted advertising including using social media Introduction of hybrid working and existing flexi scheme. Increase in staffing following capacity planning outcomes.	Develop talent attraction via Employee Value Proposition

Target matrix and score:	Target score: 6	Current matrix and score:	Trend: ▬ Current Score = 9

Commentary from latest review:	There is again no change to the assessment at this review. Work on the linked actions - including the delivery of the People Strategy is continuing and we will be providing a progress update on this as part of the Corporate Planning Framework review to be presented to the Authority in February 2026.

Risk:	PEO - 003 Single person risk in specialist knowledge roles	Risk Owner:	Director Designate
		Last Review:	05-Nov-2025

Risk effect:	Failure to deliver service and reduced service quality. Reputational damage. Impact on staff morale and wellbeing.

Existing Preventative Measures	Existing Mitigation Measures	Linked Actions
Organisational Resilience Plan. Lessons learned to identify single points of failure. Ability to call on external third party support. Regular one to ones, review of workload and work life balance. Promotion of wellbeing initiatives. Provision of Counselling, Occupational Health and Employee Assistance Programme. Arrangements for third party support are in place where appropriate	Revised pay and benefits package Range of policies for supporting wellbeing Documented procedures and work instructions Learning and development plans and knowledge transfer	Knowledge Transfer
		Succession Planning

Target matrix and score:

Target score: 9

Current matrix and score:

Current Score = 9

Trend: ⬇

Commentary from latest review:	Impact score has been reduced from high (4) to medium (3) based on the work now completed on the business continuity plan, which includes identified mitigations for single person risk in the event of a business continuity incident. Work will continue regarding wider mitigations through the planned project on creating a workforce plan during 2026. Whilst this score is at target it will remain on the risk register and outstanding actions monitored.

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SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Compliance with The Pensions Regulator's General Code of Practice	Status	For Publication
Report to	Local Pension Board	Date	26 February 2026
Report of	Head of Governance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Annie Palmer Team Leader Governance	Phone	01226 666404
E Mail	apalmer@sypa.org.uk		

1   Purpose of the Report

To provide Local Pension Board members with an update on the current status of compliance with the Pensions Regulator's (TPR's) General Code of Practice.

──

2   Recommendations

2.1   Members are recommended to:

    a. **Note the update on compliance with the TPR's General Code of Practice and actions identified; and**
    b. **Consider if any further information or explanation is required from officers.**

──

3   Link to Corporate Objectives

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

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

3.2   The contents of this report are part of the arrangements in place to ensure good governance.

4   Implications for the Corporate Risk Register

The actions outlined in this report relate to actions that will contribute to addressing risks around regulatory compliance.

5 Background and Options

5.1 The Pensions Regulator's (TPR) General Code of Practice (the Code) came into force on 27 March 2024; bringing together 10 existing codes of practice, including Code of Practice 14 (Governance and Administration of Public Service Pension Schemes), into a single modular code which applies to all UK pension schemes.

5.2 Following its introduction, officers undertook a full assessment of compliance with all of the areas of the Code that are relevant to Public Service Pensions Schemes – some of which are requirements, and some of which are good practice only. This initial assessment was carried out alongside the independent governance review with the support of Aon and making use of their compliance tool developed for this purpose.

5.3 There is a rolling programme of reviews in place that ensures all modules within the Code are assessed and progress updates provided at least every six months, and the results are reported to the Board on this basis.

5.4 The review process involves officers undertaking a detailed review of compliance and updating on progress against planned actions.

5.5 This report presents the results of the reviews that have taken place since the last full report in August 2025.

5.6 The Code has five overarching principles covering The Governing Body, Funding and Investments, Administration, Communication and Disclosure and Reporting to TPR, each of which is divided up into modules, and a series of questions within each.

5.7 The current review shows continued good compliance overall as indicated by the number of green and amber ratings, and progress achieved with a number of ratings on individual questions moving from a previous status of red to amber or amber to green.

5.8 In addition, there has been an increase in the number of fully compliant modules since the previous assessment, identified below.

Governing Body

Risk Management: Now fully compliant in 4 out of 6 modules compared to 3 out of 6 previously.

Administration

Information Handling: Now fully compliant in 2 out of 4 modules compared to 1 out of 4 previously.

Communications and Disclosure

Public Information: Now fully compliant in 2 out of 2 modules compared to 1 out of 2 previously.

Reporting to TPR

Reporting Breaches: Now fully compliant in 4 out of 4 modules compared to 0 out of 4 previously.

5.9 The table below summarises the RAG status of each question in the modules – with the results from the previous review shown in grey for comparison.

Section	Green	Amber	Red	Total Questions	Green Status Percentage
The Governing Body	129	9**	5*	**143**	90.2%
Previous review	121	14	8		84.6%
Funding and Investment	30	6	1	**37**	81.1%
Previous review	30	4	3		81.1%
Administration	81	6	1	**88**	92.0%
Previous review	74	12	2		84.1%
Communications & Disclosure	31	3	2	**36**	86.1%
Previous review	29	4	3		80.6%
Reporting to TPR	14	0	0	**14**	100.0%
Previous review	8	3	3		57.1%

* Note: one of the questions rated as red relates to the 'Own Risk Assessment' module which has not been assessed yet, the other four relate to the overarching assessment of Systems of Governance which will be reviewed at the start of Q1 2026/27. (not included at Appendix B)

** Note: six of the questions rated as amber relate to the overarching assessment of Systems of Governance which will be reviewed at the start of Q1 2026/27. (not included at Appendix B)

5.10 Note that, as previously reported, the 'Own Risk Assessment' module is still deferred until further guidance for LGPS funds on the application of these requirements for public sector schemes is made available.

5.11 The table below gives further detail to indicate the split of the questions currently rated as either red or amber into those that are a requirement in the Code and those that are simply recommended as good practice.

Section	Amber	Red
The Governing Body	9	5
Required	**0**	**0**
Good Practice	9	5
Funding and Investment	6	1
Required	**1**	**0**
Good Practice	5	1
Administration	6	1
Required	**6**	**1**
Good Practice	0	0
Communications & Disclosure	3	2
Required	**3**	**2**
Good Practice	0	0
Reporting to TPR	0	0
Required	**0**	**0**
Good Practice	0	0
Totals: **Required**	**10**	**3**
Good Practice	14	6

5.12 The report at Appendix A shows the status of the actions planned to address all of these red and amber rated questions.

5.13 The summary table above shows that the number of "required" areas remaining with an amber or red status is now 13 in total. This is a reduction from 23 since the last report. Of these 13 areas, 10 are partially compliant (amber). Full details of actions and status updates are set out at Appendix A. The following provides a high-level overview of the status of progress on these areas.

Funding and Investment

Just one required action is partially compliant pending completion of the Environmental Sustainability Plan for our operations, which is currently being drafted, with a target completion date of March 2027.

Administration and Communications & Disclosure - Performance Reporting

Considerable progress has been made on the development of the performance monitoring and reporting framework. The Management Information Plan is in place and target dates, including in-house ones, have been reviewed. The final piece of work is ongoing to fine tune the performance data and design the best way to report internal targets against statutory targets. This has a target completion date of June 2026 and should impact positively on the status of a number of outstanding areas in both modules.

Administration - ICT Cyber Controls – Cyber Hygiene including Third Party Providers

Significant progress had been made on both of the outstanding areas in this module and it is expected that this module will be fully compliant at the next review.

5.14 The main areas of progress and completions to highlight from the review include the following.

The Governing Body – *Risk Management* – the initial assessment highlighted a number of actions required in relation to single points of risk and scheme continuity planning which have now been progressed due to the full completion of the Business Continuity Plan, these include:

   a. The identification of single points of risk and production of documented procedures to mitigate these risks.
   b. The assessment of alternative system resource timescales and procedures where required.
   c. The development of contingency plans for resourcing in the event of staff shortages.

Administration – *Record Keeping and Data Monitoring/Improvement* –- the development and implementation of the Data Improvement Plan has resulted in a number of actions being progressed and completed:

   a. Assessing and capturing data improvement actions and monitoring progress against them.
   b. Enhanced reporting including evidencing of outcomes.

Administration – *ICT* – Whilst there are two areas that are still partially met, a considerable amount of progress had been made with a new Cyber Security Strategy now in place and a full review of the ICT suite of policies is underway, with the majority drafted for approval.

Administration – *Reporting Breaches of the Law* –- the initial assessment highlighted a number of actions required in relation to breach reporting of which six have now been progressed, these include:

   a. An updated Breach Log that captures all breaches, not limited to reportable instances.
   b. A full review and update of the Breach Policy.
   c. Enhanced training for all staff.

5.15 The report attached at Appendix A has been produced directly from the compliance toolkit and provides the results of the assessment, setting out for each of the five sections:

   a. An 'at a glance' page showing a heat scale that indicates the overall RAG and compliance status for each of the modules assessed. (This page also includes a sidebar to show some of the essential actions extracted from the toolkit – this appears to cut off some of the content, but the actions are detailed fully in the rest of the report as explained below).
   b. Following on from the 'at a glance' page for each section, a section has been added to the report to capture any changes to the RAG status since the last review or to confirm that no changes have been made.
   c. The next section sets out the actions in full, showing the module and question number to which they relate. These are split between:
      i. Essential Actions – these are the actions identified to address questions that were answered as 'No' or only 'Partially' and are therefore rated as Red or Amber.
      ii. Other Actions – these are additional actions identified for the purposes of further improvement on questions that are already Green rated.

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At the request of Board members, an icon has been added against each of the essential actions to indicate if this relates to a requirement in the Code or a recommendation for good practice.

The commentary shown for each of the actions has been updated to indicate any progress made and shows a target date for completion or confirms if the action has been completed since the previous assessment.

d. The final page for each of the five sections sets out a summary of each of the modules included within it and indicates the interpretation that Aon has provided as to the application or partial application of each of these to LGPS funds.

5.16   For reference for Board members, an additional appendix has been attached that lists all the questions within each module and shows the RAG status of each, with those questions that are for good practice only (rather than a requirement) shown in orange font. This is attached at Appendix B. Please note that Appendix B does not include the questions related to the Own Risk Assessment and Systems of Governance modules.

5.17   The process of reviewing the assessment continues to work well and the involvement of Service Managers has given them further understanding of the areas for focus that have been captured in their service level action plans.

5.18   Work continues to progress all areas where actions have been identified and these will continue to be monitored as part of the regular assessments of compliance with the Code, ensuring that they are captured in the relevant strategies and action plans.

5.19   Reviews will continue to be carried out regularly with a twice-yearly update reported to the Board at their August and February meetings each year.

6   Implications

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

Financial	There is a small annual cost for updating the compliance tool and this is included in existing budgets.
Human Resources	None
ICT	None
Legal	The assessment of compliance with TPR's General Code will enable the Authority to ensure it meets its legal obligations.
Procurement	None

Jo Stone

Head of Governance and Corporate Services

Background Papers	
Document	**Place of Inspection**
The Pensions Regulator – General Code of Practice	TPR website: TPR General Code of Practice	The Pensions Regulator

TPR General code of practice

South Yorkshire Pension Fund - Scheme Assessment

Prepared for: South Yorkshire Pensions Authority
                South Yorkshire Pensions Authority
                South Yorkshire Pension Board
Prepared by: Aon
Date: 10 February 2026

QAS | Institute and Faculty of Actuaries ®
Quality Assurance Scheme

AON

Introduction

The governing body

Funding and investment

Administration

Communications and disclosure

Reporting to TPR

TPR Code Compliance model

This report sets out how South Yorkshire Pension Fund complies with the Pension Regulator's (TPR) General code of practice (the Code) in relation to the management of the South Yorkshire Pension Fund which is part of the Local Government Pension Scheme (LGPS).

Note that the Code applies to governing bodies of all occupational, personal and Public Service Pension Schemes and therefore it is generic in nature. This document highlights all the key elements of the Code relevant to Public Service Pension Schemes and sets out whether South Yorkshire Pensions Authority is compliant in each of the Code's modules. There may be a number of requirements relating to these elements that are specifically stipulated within LGPS legislation and it is not the purpose of this compliance model to consider that level of detail.

Key

🟢	Compliant
🟡	Compliant in some but not all areas
🔴	Not currently compliant
PC	Pension Committee (or equivalent)
PB	Local Pension Board
TPR	The Pensions Regulator
LGPS	Local Government Pension Scheme
Code	TPR's General code of practice

The governing body

The governing body

The governing body – at a glance

Board Structure and activities

Fully compliant in 4 out of 5 modules

No questions are red and 1 question is amber out of 30 questions.

Advisers and service providers

Fully compliant in 0 out of 1 module

No questions are red and 1 question is amber out of 19 questions.

Scheme governance

Fully compliant in 0 out of 1 module

4 questions are red and 6 questions are amber out of 24 questions.

Knowledge and understanding requirements

Fully compliant in 2 out of 2 modules

No questions are red and no questions are amber out of 20 questions.

Risk Management

Fully compliant in 4 out of 6 modules

1 question is red and 1 question is amber out of 50 questions.

Essential actions

▪ Consider how to better implement the Equality Scheme within the recruitment practices.
25/26Q3 Still partially met - communications to district councils now incorporate encouragement of DEI however this is still to be incorporated into vacant post adverts and newsletters.
To be kept as partial as ongoing improvements are being made

▪ Further work to be done in identifying single points of risk and ensuring internal controls are documented for these, as well as ensuring all administration tasks are documented (e.g. non-UPM areas).

25/26Q3 - Now yes - BCP is now in place and as part of this single person risks have been identified and supporting processes and documented procedures have been identified to mitigate this event. ACTION COMPLETE

Comments

General consensus is to put creating an Own Risk Assessment as lower priority whilst focusing on other areas of Code, and also to allow LGPS national guidance to perhaps be released in this area

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

The governing body - changes

Changes since previous report (if relevant)

The charts below shows how many responses to the questions have changed Red, Amber, Green (RAG) status within each sub-section. If you click within the blue boxes it will take you to the relevant modules (which also records the previous answer and previous score).

Board structure and activities

Amber to Green
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

No RAG status changes for this review

Knowledge and understanding requirements

Amber to Green
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

No RAG status changes from this review

Advisers and service providers
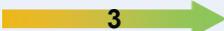
Amber to Green 3
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

Risk management

Amber to Green 2
Red to Green 3
Red to Amber
Green to Amber
Amber to Red
Green to Red

Scheme governance

Amber to Green
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

No RAG status changes from this review

The governing body

Board structure and activities

Essential Actions

	Module	Question	Action
1	Recruitment and appointment to the governing body	2 Good Practice	Consider how to better implement the Equality Scheme within the recruitment practices. 25/26Q3 Still partially met - communications to district councils now incorporate encouragement of DEI however this is still to be incorporated into vacant post adverts and newsletters. To be kept as partial as ongoing improvements are being made

Other Actions

	Module	Question	Action
1	No Actions		

Knowledge and understanding requirements

Essential Actions

	Module	Question	Action
1	No Actions		

Other Actions

	Module	Question	Action
1	No Actions		

Advisers and service providers

Essential Actions

	Module	Question	Action
1	Managing advisers and service providers	7 Good Practice	Need to document and clarify who can request work and manage contracts. 25/26Q3 - Now Yes - Delegations and procedures are contained in the Constitution and CSO's and are further supported by the Procurement Gateway Approval process. The Gateway Approval manages conflicts of interests and also directs officers to asses data protection and complete DPIA to review risks associated with information sharing. ACTION COMPLETE
2	Managing advisers and service providers	8 Good Practice	Need to document and clarify who can request work and manage contracts i.e. improved contract management. 25/26Q3 - For key contracts (Pensions Admin, Actuary etc) communication is managed via regular service meetings where decisions are recorded and any necessary escalations are made by the lead officer to the account manager. ACTION COMPLETE
3	Managing advisers and service providers	13 Good Practice	Need to incorporate a process to ensure improved contact management and regular SLA/KPIs, and better escalation processes. 25/26Q3 - Still partial - whilst service review meetings are taking place on key contracts, work on drafting the contract management framework will commence during Q4 to strengthen processes in this area Target to progress during 2026
4	Managing advisers and service providers	16 Good Practice	Work to be done to consider how robust contract provisions are and ensure everything fully incorporated into business continuity plan. 25/26Q3 - Now yes - BCP is now in place and as part of this alternative processes have been identified to mitigate circumstances where there is a third party service failure or change. ACTION COMPLETE

Other Actions

	Module	Question	Action
1	No Actions		

Risk management

Essential Actions

Module	Question	Action
1 Internal controls	3 Required	Further work to be done in identifying single points of risk and ensuring internal controls are documented for these, as well as ensuring all administration tasks are documented (e.g. non-UPM areas). 25/26Q3 - Now yes - BCP is now in place and as part of this single person risks have been identified and supporting processes and documented procedures have been identified to mitigate this event. ACTION COMPLETE
2 Internal controls	4 Required	Further work to be done in identifying single points of risk and ensuring internal controls are documented for these, as well as ensuring all administration tasks are documented (e.g. non-UPM areas). 25/26Q3 - Now yes - BCP is now in place and as part of this single person risks have been identified and supporting processes and documented procedures have been identified to mitigate this event. A robust risk management framework is in place that identifies mitigating actions and monitors progress against these actions. ACTION COMPLETE
3 Scheme continuity planning	2 Good Practice	Develop new BCP covering full SYPA operations. 25/26Q3 - Now yes - BCP is now in place and as part of this all SYPA operations have been considered. ACTION COMPLETE
4 Scheme continuity planning	5 Good Practice	Further work to be carried out to get assurance on BCPs from all service providers. To be progressed during 2025/26 as part of the development of the contract management framework 25/26Q3 -Still partial - further work ongoing in relation to the review of provider BCPs over the full contract period.
5 Scheme continuity planning	10 Good Practice	Develop new BCP covering full SYPA operations. 25/26Q3 - Now Yes - Full BCP has been developed that includes the assesment of alternative resource timescales where required. ACTION COMPLETE
6 Scheme continuity planning	11 Good Practice	Contingency plans for staffing shortages to be considered as part of new BCP development 25/26Q3 - Now Yes - Full BCP has been developed that includes the assesment of alternative resources where required. ACTION COMPLETE

Other Actions

Module	Question	Action

1	No Actions		

Scheme governance

Essential Actions

Module	Question	Action
1	No Actions	

Other Actions

Module	Question	Action
1	No Actions	

The governing body

Modules

Board structure and activities

- Role of the governing body (1)
- Recruiting and appointment to the governing body (2,6)
- *Arrangements for member-nominated trustee appointments (7)*
- Appointment and role of the chair (5)
- Meetings and decision-making (1)
- Remuneration and fee policy (4)

Knowledge & understanding requirements

- Knowledge and understanding (3,6)
- Governance of knowledge and understanding (3,6)

Value for scheme members (DC only)

- *Value for members (7)*

Notes:
The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.
(1) Applies
(2) Mostly applies
(3) Partially applies
(4) Good practice
(5) Mostly good practice
(6) Partially good practice
(7) Does not apply

Advisers and service providers

- Managing advisors and service providers (4)

Risk management

- Identifying, evaluating and recording risks (1)
- Internal controls (1)
- Assurance reports on internal controls (1)
- Scheme continuity planning (4)
- Conflicts of interest (3,6)
- Own risk assessment (4)
- *Risk management function (7)*

Scheme governance

- Systems of governance (4)

Funding and
investment

Funding and investment

Funding and investment – at a glance

Investment

Fully compliant in 1 out of 4 modules

1 question is red and 6 questions are amber out of 37 questions.

Essential actions

▪

▪ Ongoing reviews of AVCs to be commissioned and ensure happens regularly.
▪ Consider whether to expand monitoring to incorporate volatility and risk.
25/26Q3 - Discussions have taken place with Custodian however B2C will be expected to develop comprehensive whole fund reporting in due course. Target June 27

▪

25/26Q3 - Still Partial - Full BCP has been developed that includes the assesment of overall operational Fund objectives. The Operational Sustainability Plan is in the process of being drafted.

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Funding and investment - changes

Changes since previous report (if relevant)

The charts below shows how many responses to the questions have changed Red, Amber, Green (RAG) status within each sub-section. If you click within the blue boxes it will take you to the relevant modules (which also records the previous answer and previous score).

Investment

Amber to Green
Red to Green
Red to Amber   2
Green to Amber
Amber to Red
Green to Red

Funding and investment

Investment

Essential Actions

Module		Question	Action
1 Investment governance	Good Practice	7	
2 Investment governance	Good Practice	13	Ongoing reviews of AVCs to be commissioned and ensure happens regularly.
3 Investment monitoring	Good Practice	8	Consider whether to expand monitoring to incorporate volatility and risk. 25/26Q3 - Discussions have taken place with Custodian however B2C will be expected to develop comprehensive whole fund reporting in due course. Target June 27
4 Climate change	Required	1	25/26Q3 - Still Partial - Full BCP has been developed that includes the assesment of overall operational Fund objectives. The Operational Sustainability Plan is in the process of being drafted.
5 Climate change	Good Practice	3	Ensure climate risk is considered from an operational perspective is consider (2025/26). Will be considered as part of business continuity plan. 25/26Q3 - Now Partial - Full BCP has been developed that includes the assesment of overall operational Fund objectives. The Operational Sustainability Plan is in the process of being drafted.
6 Climate change	Good Practice	4	Ensure climate risk is considered from an operational perspective is consider (2025/26). Will be considered as part of business continuity plan. 25/26Q3 - Now Partial - Full BCP has been developed that includes the assesment of overall operational Fund objectives. The Operational Sustainability Plan is in the process of being drafted.

7	Climate change	Good Practice	5	Ensure climate risk is considered from an operational perspective is consider (2025/26). Will be considered as part of business continuity plan 25/26Q3 - Still Partial - Full BCP has been developed that includes the assesment of overall operational Fund objectives. The Operational Sustainability Plan is in the process of being drafted.

Other Actions

Module	Question	Action
1 No Actions		

Funding and investment

Modules

Investment

- Investment governance (4)
- *Investment decision making (7)*
- Investment monitoring (4)
- Stewardship (6)
- Climate change (3,6)
- *Statement of investment principles (6)**
- *Default arrangements and charge restrictions (7)*

Notes:
The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.
(1) Applies
(2) Mostly applies
(3) Partially applies
(4) Good practice
(5) Mostly good practice
(6) Partially good practice
(7) Does not apply
* Note that for the Statement of investment principles module the Code references good practice for PSPSs. However, due to the overriding legal requirement to have an Investment Strategy Statement (ISS) in place we have not included any questions on this module but have referred to the ISS within the Investment governance module.

Administration

Administration

Administration – at a glance

Scheme administration

Fully compliant in 0 out of 1 module

No questions are red and 1 question is amber out of 16 questions.

Information handling

Fully compliant in 2 out of 4 modules

No questions are red and 3 questions are amber out of 42 questions.

IT

Fully compliant in 1 out of 2 modules

No questions are red and 2 questions are amber out of 17 questions.

Contributions

Fully compliant in 2 out of 3 modules

1 question is red and no questions are amber out of 13 questions.

Essential actions

▪ All tasks and processes to be reviewed as part of administration improvement plan.
25/26Q4 - The plan is now in place and identifies priority processes and review schedules. These have been allocated to responsible officers. ACTION NOW COMPLETE
▪ All tasks and processes to be reviewed as part of administration improvement plan, together with an ongoing cycle of reviews and better use of performance data.
25/26Q4 - The plan is now in place and identifies priority processes and review schedules. These have been allocated to responsible officers. ACTION NOW COMPLETE
▪ As part of management information development, legal timescales will be monitored and reported.
25/26Q4 - Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Administration - changes

Changes since previous report (if relevant)

The charts below shows how many responses to the questions have changed Red, Amber, Green (RAG) status within each sub-section. If you click within the blue boxes it will take you to the relevant modules (which also records the previous answer and previous score).

Scheme administration

Amber to Green   2
Red to Green   1
Red to Amber
Green to Amber
Amber to Red
Green to Red

Information handling

Amber to Green   3
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

IT

Amber to Green   1
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red

Contributions

Amber to Green
Red to Green
Red to Amber   No RAG status changes from this review
Green to Amber
Amber to Red
Green to Red
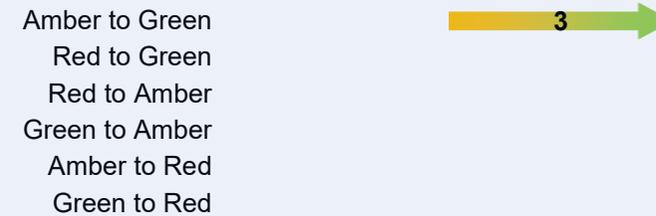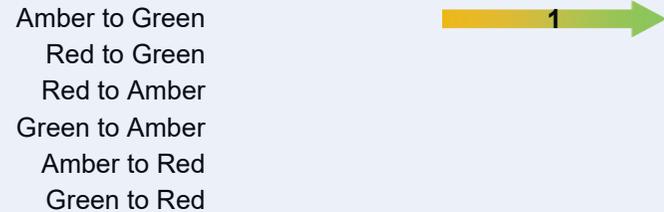
Administration

Scheme administration

Essential Actions

	Module	Question	Action
1	Planning and maintaining administration [Required]	3	All tasks and processes to be reviewed as part of administration improvement plan. 25/26Q4 - The plan is now in place and identifies priority processes and review schedules. These have been allocated to responsible officers. ACTION NOW COMPLETE
2	Planning and maintaining administration [Required]	10	All tasks and processes to be reviewed as part of administration improvement plan, together with an ongoing cycle of reviews and better use of performance data. 25/26Q4 - The plan is now in place and identifies priority processes and review schedules. These have been allocated to responsible officers. ACTION NOW COMPLETE
3	Planning and maintaining administration [Required]	11	As part of management information development, legal timescales will be monitored and reported. 25/26Q4 - Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final piece of work is to fine tune the performance data in line with the revised target dates and agree the best way to report internal targets against statutory targets. Target for June 2026
4	Planning and maintaining administration [Required]	15	Business continuity plan being developed during 2024/25 25/26Q3 - BCP is now complete and inlcudes review of external providers business continuity plans. ACTION NOW COMPLETE

Other Actions

	Module	Question	Action
1	No Actions		

Information handling

Essential Actions

	Module	Question	Action
1	Financial transactions	9 Required	Data improvement plan, articulating actions and tracking against them, to be developed 25/26Q4 - The data improvement plan and strategy were approved at the September Authority meeting and tracking against progress is now in place. ACTION NOW COMPLETE
2	Record keeping	3 Required	Data retention timescales to be reviewed (including consideration of lawfully retaining data) and implemented 25/26Q3 - Work on Phase 2 of the Information Governance action plan is progressing well with the information asset register and data retention policy on track for completion by the target date. Target March 2026
3	Record keeping	4 Required	Review retention policies for legitimate purposes (as above) 25/26Q3 - Work on Phase 2 of the Information Governance action plan is progressing well with the information asset register and data retention policy on track for completion by the target date. Target March 2026
4	Data monitoring and improvement	4 Required	Ensure Data Improvement Plan documents data reviews and their findings, and ongoing actions. 25/26Q4 - The reporting and evidencing outcomes of the plan are now in place. ACTION COMPLETE
5	Data monitoring and improvement	5 Required	Put in place Data Improvement Strategy and Data Improvement Plan with actions that are monitored. 25/26Q4 - The reporting and evidencing outcomes of the plan are now in place. ACTION COMPLETE
6	Data monitoring and improvement	6 Required	Ensure Data Improvement Strategy includes action/decisions relating to where data cannot be corrected 25/26Q4 - This action is still partially met. Priority areas have been reviewed, the 2026/27 Plan will confirm proirity areas and the policy will be completed by the end of Q1. Revised target June 2026

Other Actions

Module	Question	Action
1 No Actions		

IT

Essential Actions

Module	Question	Action
1 Cyber controls	1 Required	Create a specific cyber security policy. Also carry out review against TPR Cyber Guidance which is more detailed. 25/26Q4 - The Cyber Security Strategy is now in place, TPR guidance was taken into account in the development of the strategy ACTION COMPLETE
2 Cyber controls	8 Required	Cyber hygiene guidelines to be reconsidered as part of review of these policies and documents. 25/26Q4 - This is still partially met however considerable progess has been made. Cyber Hygeine is covered in the updated suite of ICT Policies that have been drafted and are awaiting final approval. It is expected that this action will be completed prior to the next review. Target June 2026
3 Cyber controls	9 Required	Further work to done to incorporate cyber resilience testing for third parties/suppliers. 25/26Q4 - Considerable progress has been made in this area with templates developed to review provider risk and the introduction of enhanced third party questionnaires. These are currently being trialled and once embedded this action will be complete. Target April 2026

Other Actions

Module	Question	Action
1 No Actions		

Contributions

Essential Actions

Module	Question	Action

1	Resolving overdue contributions	3 Required	Ensure any written procedure includes clear processes to identify fraudulent activity. 25/26Q4 - This is still partially met. Checks are in place on Epic in relation to contributions, written process are being documented. Revised target date September 2026

Other Actions

	Module	Question	Action
1	No Actions		

Administration

Modules

Scheme administration

- Planning and maintaining administration (1)

Information handling

- Financial transactions (1)
- Transfers out (2)
- Record-keeping (3,6)
- Data monitoring and improvement (1)

IT

- Maintenance of IT systems (1)
- Cyber controls (2,6)

Contributions

- Receiving contributions (3)
- Monitoring contributions (1)
- Resolving overdue contributions (1)

Notes:
The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.
(1) Applies
(2) Mostly applies
(3) Partially applies
(4) Good practice
(5) Mostly good practice
(6) Partially good practice
(7) Does not apply

Communications and disclosure

Communications and disclosure

Communications and disclosure – at a glance

Information to members

Fully compliant in 2 out of 5 modules

2 questions are red and 3 questions are amber out of 22 questions.

Public information

Fully compliant in 2 out of 2 modules

No questions are red and no questions are amber out of 14 questions.

Essential actions

▪ Implement legal timescale monitoring within UPM.

25/26Q4 - This is now partially met. Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final piece of work is to fine tune the performance data in line with the target dates and agree the best way to report internal targets against statutory targets. Target for June 2026

▪ Implement legal timescale monitoring within UPM.

25/26Q4 - This is now partially met. Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final piece of work is to fine tune the performance data in line with the target dates and agree the best way to report internal targets against statutory targets.

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Communications and disclosure - changes

Changes since previous report (if relevant)

The charts below shows how many responses to the questions have changed Red, Amber, Green (RAG) status within each sub-section. If you click within the blue boxes it will take you to the relevant modules (which also records the previous answer and previous score).

Information to members

Amber to Green   1
Red to Green
Red to Amber   1
Green to Amber
Amber to Red
Green to Red

Public information

Amber to Green   1
Red to Green
Red to Amber
Green to Amber
Amber to Red
Green to Red
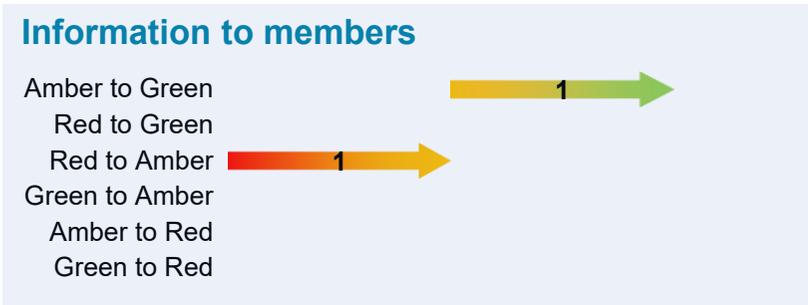
Communication and disclosure

Information to members

Essential Actions

	Module	Question	Action
1	General principles for member communications	1 b Required	Implement legal timescale monitoring within UPM. 25/26Q4 - This is now partially met. Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final piece of work is to fine tune the performance data in line with the target dates and agree the best way to report internal targets against statutory targets. Target for June 2026
2	General principles for member communications	1 c Required	Implement legal timescale monitoring within UPM. 25/26Q4 - This is now partially met. Considerable progress has been made on this action. The MI plan is in place and target dates have been reviewed. In house target dates have been captured in line with PAS. The final piece of work is to fine tune the performance data in line with the target dates and agree the best way to report internal targets against statutory targets. Target for June 2026
3	General principles for member communications	2 Required	Consider feasibility of reviewing all scheme member communications to meet Plain English standards 25/26Q4 - This is now partially complete. The website is now compliant in line with accessibility testing. Work is now commencing on other scheme member published documents with a target date of March 27 for completion.
4	General principles for member communications	3 Required	Review digital inclusion. 25/26Q4 - Website testing is complete and evidences that audio set up and transition is enabled. A report will be generated to evidence compliance of this and scheduled to run annually. ACTION NOW COMPLETE
5	Benefit information statements (PSPS)	4 Required	Ensure AVC statements issued by Prudential and Scottish Widows are issued within future legal timescales 25/26Q4 - Still partial - Internal data checks are in place to ensure accuracy and the Dashboard requirements will place additional focus on AVC providers. A process will developed to check this for all AVCs - Revised Target March 2027

6	Benefit information statements (PSPS)	5 Required	Check on whether AVC providers are meeting legal requirements in relation to the information included on annual statements. 25/26Q4 - Still partial - Internal data checks are in place to ensure accuracy and the Dashboard requirements will place additional focus on AVC providers. A process will developed to check this for all AVCs - Revised Target March 2027
7	Notification of right to cash transfer sum or contribution refund	1 Required	Clear backlogs and then ensure that the notifications on rights and options are issued within 3 month legal timescale 25/26Q4 - This is now partially complete. A process is now in place however the reporting and monitoring of the statutory timescales is still to be finalised.Revised target September 2026

Other Actions

	Module	Question	Action
1	No Actions		

Public information

Essential Actions

	Module	Question	Action
1	Publishing scheme information (PSPS)	2 Good Practice	Review and ensure information published meets the Codes requirements. 25/26Q3 - Now Yes - Website update has now been completed and required information published. ACTION COMPLETE

Other Actions

	Module	Question	Action
1	No Actions		

Communication and disclosure

Modules

Information to members

- General principles for member communications (1)
- *Annual pension benefit statements (DC) (7)*
- *Summary funding and pension benefit statements (DB) (7)*
- Benefit information statements (PSPS) (1)
- Retirement risk warnings and guidance (1)
- Notification of right to cash transfer sum or contribution refund (2)
- *Chair's statement (7)*
- Scams (1)
- *Audit requirements (7)*

Public information

- Publishing scheme information (PSPS) (2,6)
- Dispute resolution procedures (2,6)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

(1) Applies
(2) Mostly applies
(3) Partially applies
(4) Good practice
(5) Mostly good practice
(6) Partially good practice
(7) Does not apply

Reporting to TPR

Reporting to TPR

Reporting to TPR – at a glance

Regular reports

Fully compliant in 1 out of 1 module

No questions are red and no questions are amber out of 3 questions.

Whistleblowing- Reporting breaches of the law

Fully compliant in 4 out of 4 modules

No questions are red and no questions are amber out of 11 questions.

Essential actions

▪ Ensure all breaches are identified and recorded (including administration legal timescales and late/estimated contributions)
25/26Q4 - Now complete, new breach log in place and Policy published.
ACTION COMPLETE
▪ Ensure induction training highlights the personal responsibility about reporting significant breaches, as well as what breaches are/ensuring sharing procedure.
25/26Q4 - All staff have been allocated breach training and the updated policy has been published.
ACTION COMPLETE
▪ Ensure induction training highlights the personal responsibility about reporting significant breaches, as well as what breaches are/ensuring sharing procedure.
25/26Q4 - All staff have been allocated breach training and the updated policy has been published.

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Reporting to TPR - changes

Changes since previous report (if relevant)

The charts below shows how many responses to the questions have changed Red, Amber, Green (RAG) status within each sub-section. If you click within the blue boxes it will take you to the relevant modules (which also records the previous answer and previous score).

Regular reports

Amber to Green
Red to Green
Red to Amber   No RAG status changes from this review
Green to Amber
Amber to Red
Green to Red

Whistleblowing – reporting breaches of the law

Amber to Green   3
Red to Green   3
Red to Amber
Green to Amber
Amber to Red
Green to Red

Reporting to TPR

Regular reports

Essential Actions

	Module	Question	Action
1	No Actions		

Other Actions

	Module	Question	Action
1	No Actions		

Whistleblowing - reporting breaches of the law

Essential Actions

	Module	Question	Action
1	Who must report	1 Required	Ensure all breaches are identified and recorded (including administration legal timescales and late/estimated contributions) 25/26Q4 - Now complete, new breach log in place and Policy published. ACTION COMPLETE
2	Who must report	3 Required	Ensure induction training highlights the personal responsibility about reporting significant breaches, as well as what breaches are/ensuring sharing procedure. 25/26Q4 - All staff have been allocated breach training and the updated policy has been published. ACTION COMPLETE
3	Who must report	4 Required	Ensure induction training highlights the personal responsibility about reporting significant breaches, as well as what breaches are/ensuring sharing procedure. 25/26Q4 - All staff have been allocated breach training and the updated policy has been published. ACTION COMPLETE

4	Decision to report	2 Required	Ensure breaches log is updated to ensure assessments are carried out in line with procedure 25/26Q4 - Breach Policy has been updated and approved, revised Breach Log is in place and training delivered. ACTION COMPLETE
5	How to report	3 Required	Ensure breaches log is updated to cover all breaches, not just those that are being reported 25/26Q4 -Updated Breach Policy has been approved and Breach Log now includes all breaches. ACTION COMPLETE
6	Reporting payment failures	1 Required	Contribution procedures to be updated to include escalation and eventual reporting to TPR. 25/26Q4 - Now yes - Breach Policy has been approved. The training and Breach Log now include these instances. ACTION COMPLETE

Other Actions

Module	Question	Action
1 No Actions		

Reporting to TPR

Modules

Regular reports

- Registrable information and scheme returns (1)

Whistleblowing - reporting breaches of the law

- Who must report (1)
- Decision to report (1)
- How to report (1)
- Reporting payment failures (1)

Notes:
The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.
(1) Applies
(2) Mostly applies
(3) Partially applies
(4) Good practice
(5) Mostly good practice
(6) Partially good practice
(7) Does not apply

The information set out in this report is based on the expectations set out in the Code, compared to your current practice and it is not a regulatory and compliance audit. The information is based on the responses by the Administering Authority to questions set by Aon based on information contained in the Code.

Aon plc (NYSE:AON) exists to shape decisions for the better - to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries and sovereignties with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

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The governing body

Board structure and activities

Role of the governing body

Notes:
- Applies
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Does the Fund have a Pension Committee (or equivalent) (PC) which fulfils the role of scheme manager / administering authority and is established in accordance with legislation within the appropriate constitution (or equivalent)?	Yes		
2	Has the Scheme Manager (i.e. the Administering Authority) established a Local Pension Board (PB) which meets the requirements of the LGPS regulations?	Yes		
3	Upon joining the PC (or equivalent) or PB, are members made aware and receive training about, the expected behaviours and standards of a member of PC / PB as set out in the Code (see paragraph 6 of this module)?	Yes		
4	Are the roles and responsibilities of members of the PC (or equivalent) and PB clearly set out in scheme documentation such as the Governance Policy?	Yes		

Appendix B

The governing body

Board structure and activities

Recruitment and appointment to the governing body

Notes:
- Mostly applies / Partially good practice. Whilst most of this module applies for Public Service Pension Schemes we note that it includes a paragraph (paragraph 3) which refers to good practice. Therefore we have shown the questions relating to this paragraph as being good practice only. Note that paragraph 6 doesn't apply for Public Service Pension Schemes.
- When considering this module, you should also refer to the Pension Regulator's guidance on Equality, Diversity and Inclusion (on TPR website see Scheme management detailed guidance / Governing body / Equality, diversity and inclusion (EDI)). We recommend that further action is taken to review this guidance to ensure that you are following it.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have processes and policies in place for the appointment of members to the PC (or equivalent) and PB, covering the features set out in the Code (see paragraph 5 of this module)?	Yes		
2	Do you have processes in place to ensure recruitment practices of members to the PC (or equivalent) and PB are inclusive?	Partially		
3	Do you regularly review membership of the PC (or equivalent) and PB to ensure a diverse spread of members with varied technical skills and experience?	Yes		
4	Are members of PC (or equivalent) and PB asked to complete a skills gap analysis to ensure any gaps can be addressed over time?	Yes		
5	Does succession planning take place (to the extent it is able to)?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
6	Do you have a resignation and removal policy setting out who can remove a member of the PC (or equivalent) and PB and the circumstances and processes to follow?	Yes		
7	Do you have a process for ensuring that appropriate representation as required by the LGPS regulations / local government legislation is maintained?	Yes		

The governing body

Board structure and activities

Appointment and role of the chair

Notes:
- Mostly good practice. Our interpretation is that this module is good practice for Public Service Pension Schemes, other than paragraphs 4 and 5 which do not apply for Public Service Pension Schemes.
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Is the process for the appointment of the Chair of the PC (or equivalent) and PB robust and clearly documented?	Yes		
2	Is there a process in place for the appointment of a new Chair of the PC (or equivalent) and PB upon resignation or removal?	Yes		
3	Are the Chairs of the PC (or equivalent) and PB made aware of, or provided training about, the skills and behaviours that they should demonstrate as set out in the Code (see paragraph 6 of this module)?	Yes		
4	Do you carry out regular analysis of the skills and behaviours of the Chair of the PC (or equivalent) and PB to ensure they are meeting the requirements in the Code (see paragraph 6 of this module)?	Yes		

The governing body

Board structure and activities

Meetings and decision-making

Notes:
- Applies
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Does the PC (or equivalent) meet regularly (e.g. at least quarterly)?	Yes		
	Does the PB meet regularly? (e.g. quarterly)?	Yes		
	Do you ensure that the meeting and decision making arrangements for the PC (or equivalent) and PB adhere to requirements in the relevant local authority legislation, the LGPS regulations and the relevant areas of your Constitution?	Yes		
4	Are formal minutes prepared relating to all PC (or equivalent) and PB meetings which clearly document the date, time, place of meeting, those present, absentees, decisions taken, and decisions taken outside of meetings (including date decision was taken and those who participated in the decision)? (See the Public Service Record Keeping Regulations for PB requirements).	Yes		
5	When planning and running meetings, does the PC (or equivalent) and PB meet in accordance with the meeting processes, procedures and decision-making set out in the Code (see paragraph 6a to k of this module)?	Yes		
6	Are decisions at PC (or equivalent) and any sub-committee meetings made in accordance with LGPS legislation and their Terms of Reference?	Yes		
7	Are the matters considered at PB meetings in accordance with LGPS legislation and their Terms of Reference?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
8	Is there a clearly documented Scheme of Delegation which appropriately cover pension fund matters, including who can make decisions, and are records kept of all decisions (including background information and advice) made under these delegations?	Yes		
9	Are records of all declared conflicts of interests maintained?	Yes		
10	Are records of decisions retained for as long as they are needed?	Yes		
11	Does the PC (or equivalent) and PB have a clear process for determining what information should be made public and what information should not, in line with legal requirements including local authority legislation?	Yes		

The governing body

Board structure and activities

Remuneration and fee policy

Notes:
- Good practice
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Is there a written remuneration and fee policy in place for the PC (or equivalent), PB officers and any external bodies who effectively run the scheme?	Yes		
	If Yes, is there a process in place for this to be reviewed at least every three years?	Yes		
	Does the remuneration policy provide the rationale for the levels of remuneration (but noting that TPR have confirmed it does not have to set out levels of remuneration paid) and include measures taken to mitigate conflicts of interest?	Yes		
4	Does your remuneration and fee policy cover all areas set out in the Code (see paragraph 3 of this module)?	Yes		

The governing body

Knowledge and understanding requirements

Knowledge and understanding

Notes:
- Partially applies / Partially good practice. For Public Service Pension Schemes this module is a requirement for Pension Board members and good practice for scheme managers (or their delegates) (i.e. Pensions Committee (or equivalent)).
- This module forms part of an Effective System of Governance.
- When considering this module, you should also refer to the CIPFA Knowledge and Skills Code of Practice and Frameworks.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you maintain a list of items that all members of the PB should be familiar with which covers the key items set out in the Code (paragraphs 9 to 15 of this module) where relevant to the LGPS?	Yes		
2	If yes, is this list regularly reviewed (i.e. at least every three years or when new regulations / guidance are published)?	Yes		
3	Do you maintain a list of items that all members of the PC (or equivalent) (and any sub-committee) should be familiar with which covers the key items set out in the Code (paragraphs 9 to 15 of this module) where relevant to the LGPS?	Yes		
4	If yes, is this list regularly reviewed (i.e. at least every three years or when new regulations / guidance are published)?	Yes		
5	Are the key items set out in the Code (across paragraphs 9 to 15 of this module where relevant to the LGPS) covered in your training plan, including induction training, and Knowledge and Skills Policy?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
6	Do you have a Knowledge and Skills Policy (or equivalent) that's regularly updated (i.e. every 3 years) which covers members of the PC (or equivalent), PB and Fund officers covering the expectations of the Code and in accordance with the CIPFA Knowledge and Skills Frameworks?	Yes		

The governing body

Knowledge and understanding requirements

Governance of knowledge and understanding

Notes:
- Partially applies / Partially good practice. For Public Service Pension Schemes this module is a requirement for Pension Board members. We note that there is no reference in this module to scheme managers (or their delegates) in relation to Public Service Penson Schemes. However, given the CIPFA Knowledge and Skills Code of Practice and Frameworks referred to below we would suggest that it is good practice to also apply the principles set out in this module to the Pension Committee (or equivalent). We have therefore included some good practice questions in this module shown in orange.
- This module forms part of an Effective System of Governance.
- When considering this module, you should also refer to the CIPFA Knowledge and Skills Code of Practice and Frameworks.

Question ID	Question	Answer	Current Score	Previous Score
1	Does the PB have a balance of skills and experience, and is it able to demonstrate and apply these skills and experience?	Yes		
2	Are new members of PB given appropriate induction training to ensure they can demonstrate the basic level of required knowledge within six months of their appointment?	Yes		
3	Do you carry out a regular review (i.e. annually) of any gaps in knowledge and skills within the PB to ensure appropriate training is provided to address these gaps?	Yes		
4	Do you maintain training and development plans for the PB to ensure knowledge is kept up to date, covering both individual and collective knowledge?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
5	Are all PB members made aware of the required investment in time for learning and development, in addition to other duties?	Yes		
6	Do you consider and provide a range of ways for PB members to acquire knowledge?	Yes		
7	Do you retain details of training undertaken (both internally and externally) by individual members of PB, including setting out steps taken to address any gaps and meet legal requirements?	Yes		
8	Does the PC (or equivalent) have a balance of skills and experience, and is it able to demonstrate and apply these skills and experience?	Yes		
9	Are new members of PC (or equivalent) given appropriate induction training to ensure they can demonstrate the basic level of required knowledge within six months of their appointment?	Yes		
	Do you carry out a regular review (i.e. annually) of any gaps in knowledge and skills within the PC (or equivalent) to ensure appropriate training is provided to address these gaps?	Yes		
11	Do you maintain training and development plans for the PC (or equivalent) to ensure knowledge is kept up to date, covering both individual and collective knowledge?	Yes		
12	Are all PC (or equivalent) members made aware of the required investment in time for learning and development, in addition to other duties?	Yes		
13	Do you consider and provide a range of ways for PC (or equivalent) members to acquire knowledge?	Yes		
14	Do you retain details of training undertaken (both internally and externally) by individual members of PC (or equivalent), including setting out steps taken to address any gaps and meet legal requirements?	Yes		

The governing body

Advisers and service providers

Managing advisers and service providers

Notes:
- Good practice
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have agreed and documented policies for making appointments to the Fund?	Yes	🟩	
2	Is the policy for selecting advisers and service providers approved by the PC (or equivalent) and reviewed at least every three years?	Yes	🟩	
3	Do you ensure sufficient resources and time is allocated to procurement activity?	Yes	🟩	
4	Are you familiar with the terms & conditions of contracts with service providers, including any national frameworks where relevant, and understand the scope of responsibilities performed by service providers and advisors?	Yes	🟩	
5	Do you assess service providers, including undertaking due diligence, as part of the appointment process?	Yes	🟩	
6	Do you clearly set out the roles and responsibilities of service providers and advisers as part of the appointment process?	Yes	🟩	
7	Do you have agreed delegations and procedures for referral (i.e. asking for work to be carried out) with service providers?	Yes	🟩	🟧
8	Is there an agreed process in place for ongoing management of advisers, recording decisions taken, as well as escalation points?	Yes	🟩	🟧

Question ID	Question	Answer	Current Score	Previous Score
9	Are there policies and processes in place for identifying and managing conflicts of interest?	Yes	🟩	
10	Do you consider and understand data protection requirements for any information shared with or handled by your service providers?	Yes	🟩	
11	Are you aware of the obligations, professional conduct rule and whistleblowing requirements placed on some advisors?	Yes	🟩	
12	Do you ensure that service providers are able to demonstrate that they have adequate internal controls relating to the services they provide?	Yes	🟩	
13	Do you regularly assess and record performance of service providers against key performance indicators and service level agreements, and have in place a process for ensuring improvements are made where poor service is identified?	Partially	🟧	
	Do you carry out a market review for all relevant service providers?	Yes	🟩	
	Do you work with service providers to understand expected scheme or legal changes and ensure they are able to provide the necessary resources to deal with the changes?	Yes	🟩	
16	Do you have business continuity plans in place to enable continuous and consistent provision of services in the event of a change in service provider or provider failure?	Yes	🟩	🟧
17	When considering replacing a service provider, do you consider the interests of the scheme members?	Yes	🟩	
18	When replacing a service provider, do you understand the impact of the terms and conditions of contracts in place, including fees or penalties and procedures for releasing relevant information?	Yes	🟩	
19	When replacing service providers and advisors, do you plan transition effectively, setting out the risks, key steps, actions, decisions, owners and timescales, including how costs will be met and how risks will be mitigated?	Yes	🟩	

The governing body

Risk management

Identifying, evaluating and recording risks

Notes:
- Applies
- This module forms part of an Effective System of Governance.
- When considering this module, you should also refer to the CIPFA Managing Risk in the LGPS guidance.

Question ID	Question	Answer	Current Score	Previous Score
	Do you have a Risk Management Policy approved by the PC (or equivalent)?	Yes		
	If Yes, is your policy reviewed at least every 3 years and is it currently up to date, accurate, relevant and in accordance with LGPS Regulations?	Yes		
3	Do you have a risk register to record all risks identified and action taken?	Yes		
4	Do you have an agreed process for regularly considering and identifying risks which is integrated into the day to day management of the Fund / scheme and which includes reviewing your risk register at least quarterly?	Yes		
5	Do you consider all of the following types of risks alongside appropriate risk mitigation techniques:			
5 a	▪ scheme investments, including asset-liability management	Yes		
5 b	▪ operation resilience, including for service providers	Yes		
5 c	▪ insurances, compensation funds, and other risk-mitigation techniques	Yes		
5 d	▪ environmental, social, and governance risks	Yes		
5 e	▪ scheme funding and covenant strength	Yes		
5 f	▪ the risk of fraud	Yes		
5 g	▪ failure to comply with the law and / or scheme rules	Yes		
5 h	▪ poor record-keeping, poor administration, and IT and database failures	Yes		

Question ID	Question	Answer	Current Score	Previous Score
5 i	▪ cyber security risks	Yes		
5 j	▪ governance and decision making, or existing controls are not operating to the standard required by pensions legislation	Yes		
5 k	▪ actual or potential conflicts of interest	Yes		
6	Does the PC (or equivalent) and PB do the following at each meeting:			
6 a	▪ identify and evaluate risks	Yes		
6 b	▪ review internal controls and risk management	Yes		
7	Do your processes for evaluating risks meet the expectations set out in the Code (see paragraph 7 in this module)?	Yes		
8	Do your processes for recording and updating risk records meet the expectations set out in the Code (see paragraph 8 in this module)?	Yes		
9	Do you have clear ownership of who monitors risks and addresses risks (both within the Fund and with third parties)?	Yes		
10	Do you get information from relevant parties (e.g. investment managers, administrator) at least quarterly to allow you to update the Risk Register?	Yes		
11	In allocating roles and responsibilities, do you:			
11 a	▪ have processes to monitor risk and issues between meetings (particularly if action is the responsibility of third-party)?	Yes		
11 b	▪ receive information from relevant parties to update the risk register (quarterly)?	Yes		
11 c	▪ recognise when professional advice is required?	Yes		

The governing body

Risk management

Internal controls

Notes:
- Applies
- This module forms part of an Effective System of Governance.
- When considering this module, you should also refer to the CIPFA Managing Risk in the LGPS guidance.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you maintain a risk management framework that clearly identifies the internal controls in place or required for mitigating risks?	Yes		
2	When developing your internal controls, do you ensure there is appropriate separation of duties, and that they include the processes for escalation and decision making?	Yes		
3	Do the internal controls ensure you administer and manage the Fund / scheme in accordance with the requirements of the law and relevant regulations?	Yes		
4	Are your internal controls all documented?	Yes		
5	Do you have a system to review internal controls in place regularly (e.g. at least annually, upon substantial changes to the Fund / scheme or if a control is not working to the standard required by the law)?	Yes		
6	When designing internal controls have you considered the expectations set out in the Code (see paragraph 17 in this module)?	Yes		

The governing body

Risk management

Assurance reports on internal controls

Notes:
- Applies

Question ID	Question	Answer	Current Score	Previous Score
1	Do you carry out an annual statutory audit (external audit) as part of the preparation of your Annual Report and Accounts?	Yes		
	Do you engage with your internal auditor to suggest specific areas of concern that could be covered by an audit?	Yes		
	Do you receive and consider assurance reporting from relevant parties (e.g. by service providers including investment managers and custodians), if they are available?	Yes		

The governing body

Risk management

Scheme continuity planning

Notes:
- Good practice. However, we note that it is a legal requirement for Public Service Pension Schemes to establish and operate internal controls and we would expect that scheme continuity planning would be included within this.

- This module forms part of an Effective System of Governance.

Question	Question	Answer	Current Score	Previous Score
1	Do you have a Fund-specific Business Continuity Plan (BCP)?	Yes	🟩	🟩
2	Does the BCP include data and general administration?	Yes	🟩	🟥
3	Are there clear roles and responsibilities in your BCP?	N/A	🟩	
4	Have any roles and responsibilities for service providers been agreed with them?	N/A	🟩	
5	Have you had assurance that advisers and service providers to the Fund have their own BCP in place?	Partially	🟧	
6	If you answered yes to Q5 did you review the information received from suppliers / advisers?	N/A	🟩	
7	Do you review your BCP and associated documents regularly (for example, annually) or on a change in system or process if sooner?	N/A	🟩	
8	Does your Business Continuity approach ensure key member processes are prioritised?	N/A	🟩	

Question ID	Question	Answer	Current Score	Previous Score
9	Does your BCP ensure continued access to resources, service and communications with key parties?	N/A	🟩	🟩
10	Have you considered timeframes to bring new resources on board in a business continuity situation?	Yes	🟩	🟥
11	Do you have contingency plans to address any under resourcing issues?	Yes	🟩	🟥
12	Do you undertake Annual Business Planning to identify additional resource requirements each year for projects / non business as usual work?	Yes	🟩	🟩

The governing body

Risk management

Conflicts of interest

Notes:
- Partially applies / Partially good practice. Our interpretation is that the internal control elements of this module apply to Public Service Pension Schemes (paragraph 3a which then refers to paragraphs 6 to 8), along with the requirements for Pension Boards (paragraphs 22 to 24). We have highlighted these paragraphs bold. The remaining paragraphs are good practice for Public Service Pension Schemes (as referenced in paragraph 3b). We have highlighted these paragraphs orange.

- This module forms part of an Effective System of Governance.

- The internal control requirements under section 249B of the Pensions Act 2004 are highlighted in the Code in relation to this module. If any elements are highlighted as good practice only, you should still ensure that you have the appropriate internal controls in place.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have a Fund-specific conflicts of interest policy which is published covering persons involved in the governance and management of the Fund (including PC (or equivalent), PB and officers)?	Yes		
2	If yes, is this policy regularly reviewed (e.g. every 3 years) and is it currently up to date, accurate, relevant and in accordance with LGPS Regulations?	Yes		
3	Is training on the requirements of this policy provided to PC (or equivalent), PB, officers and shared with advisers?	Yes		
4	Does the PC (or equivalent) and PB consider potential and actual conflicts at every meeting, including in relation to specific agenda items and record these considerations?	Yes		
5	Do you maintain a register of interests?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
6	Do you have a process to ensure that all new PC (or equivalent), PB members and advisers make a declaration of conflicts of interest on appointment?	Yes		
7	Have you ensured that your advisers have their own policy for managing potential conflicts which may arise?	Yes		
8	Does your Fund-specific conflicts of interest policy reflect relevant expectations of the Code (see paragraphs 9 to 19 of this module)?	Yes		
9	Do you have a process to ensure that a prospective member of the PB does not have a conflict of interest?	Yes		
10	Do you have processes to ensure that you remain satisfied that none of the members of the PB have a conflict of interest?	Yes		
11	Do you ensure that the register of interests and other relevant documents are circulated to the PB for ongoing review and are published?	Yes		

Funding and investment

Investment

Investment governance

Notes:
- Good practice for Local Government Pension Schemes. (This module doesn't apply for any unfunded Public Service Pension Schemes).
- This module forms part of an Effective System of Governance.
- Within this module (and the other modules within the Funding and investment section) there are references to the statement of investment principles (SIP). For LGPS funds a broadly equivalent document is the Investment Strategy Statement (ISS). We have therefore included questions in relation to the ISS where appropriate. We note that although the questions in this module are good practice only it is a requirement to have an ISS as set out in the LGPS Investment Regulations 2016.

Question ID	Question	Answer	Current Score	Previous Score
1	Can the PC (or equivalent) demonstrate a good working knowledge of investment matters including their powers and duties relating to their Fund (i.e. is this sufficient to evaluate and challenge the advice received from advisers and service providers)?	Yes		
2	Do you have an Investment Strategy Statement (ISS) approved by the PC (or equivalent) in accordance with the LGPS regulations? (Note that although this module is good practice for LGPS it is a requirement of the LGPS Investment Regulations 2016 that Funds must publish an ISS).	Yes		
3	Is the ISS regularly reviewed (at least every 3 years) and is it currently up to date, accurate, relevant and in accordance with the regulations and guidance? (Note this is also a requirement of the LGPS Investment Regulations 2016).	Yes		
4	Do you clearly document the objectives, roles, responsibilities and reporting relationships of all parties involved in making investment decisions, including where investment decisions are delegated?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
5	Do you ensure that those making investment decisions have the necessary skills, knowledge, information and resources?	Yes		
6	Do you obtain advice and other inputs required from a suitably qualified person to properly govern the scheme's investments?	Yes		
7	Is the governance structure relating to the assessment of investment risks reviewed regularly and appropriate for your Fund?	Yes		
8	Does the PC (or equivalent) delegate investment decisions where appropriate for their Fund's circumstances and level of complexity (e.g. to an investment subcommittee or a qualified investment manager)?	Yes		
9	Are there clear strategic objectives set for appointed investment advisers?	Yes		
10	Does your ISS consider potential long-term effects on scheme investments?	Yes		
11	Do you regularly monitor the performance of your investment managers, including the pool and advisers, including carrying out a formal review at least every 3 years?	Yes		
12	Does the PC (or equivalent) consider the performance of investments quarterly, against the benchmark objectives?	Yes		
13	Do you ensure that your Additional Voluntary Contribution (AVC) arrangements meet the requirements of the Code in relation to Defined Contribution elements (see list in paragraph 10 of this module)?	Partially		
14	Do you have a policy for ensuring investment decisions consider the form and structure of liabilities, the range of employers in the Fund, the employer risk / covenant of those employers, and your Fund's access to cash as required?	Yes		

Funding and investment

Investment

Investment monitoring

Notes:
- Good practice for Local Government Pension Schemes. (This module doesn't apply for any unfunded Public Service
Pension Schemes).
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Do those responsible for your investment governance carry it out with the best interests of scheme members and their beneficiaries in mind?	Yes		
2	Do you have a process to review and negotiate contractual arrangements with investment managers and advisers (either themselves or via delegation to your LGPS pool)?	Yes		
3	Do you regularly review the performance of the investment managers, the pool, and advisers (e.g. against the objectives set for them, their delegated responsibilities and any legal obligations)?	Yes		
4	Do you have procedures to monitor investment performance regularly, against benchmarks and stated short and long-term investment objectives?	Yes		
5	When monitoring investment performance, are investment returns before and after fees considered, and does the process consider whether fees and costs are justified?	Partially		

Question ID	Question	Answer	Current Score	Previous Score
6	Do you consider whether and how to report to interested parties on investment matters, such as scheme members and participating employers?	Yes		
7	Do you ensure that monitoring information is prepared at least quarterly?	Yes		
8	Do you ensure that the analysis of monitoring information includes a stress test, scenario test, or other risk assessment information, to assess the impact of changing circumstances on scheme assets and if relevant, funding level?	No		
9	Do you monitor the level of investment risk run to deliver the performance and how this compares with the investment manager's risk targets?	Yes		
10	Do you consider and have processes in place to ensure compliance with environmental, social and governance (ESG) matters and shareholder engagement?	Yes		
11	Do you ensure that controls are in place to alert you to potential financial risks relating to your investment managers?	Yes		
12	Do you regularly assess the effectiveness of processes, ensuring proper review and monitoring of investments and making improvements, as appropriate?	Yes		
13	Have you set clear expectations for investment managers (including your LGPS pool) in relation to monitoring of information and investment risk covering the factors set out in this module?	Yes		

Funding and investment

Investment

Stewardship

Notes:
- Partially good practice. Our reading of this module is that it is partially good practice for Public Service Pension Schemes. See paragraphs 12 and 13 which are shown in bold in the extract below. Regardless, the LGPS Investment Regulations 2016 do state that the authority's investment strategy must include "the authority's policy on how social, environmental and corporate governance considerations are taken into account in the section, non-selection, retention and realisation of investments; and the authority's policy on the exercise of the rights (including voting rights) attaching to investments."
- This module forms part of an Effective System of Governance.

Question	Question	Answer	Current Score	Previous Score
1	Does your ISS include your policy on the exercise of the rights (including voting rights) attached to investments and consider your approach to voting and engagement on relevant matters, including on ESG?	Yes		
2	During the investment manager selection do you obtain the investment managers' stewardship policies and are they regularly reviewed?	Yes		
3	Are you (or your pool) a Signatory to the Financial Reporting Council's UK Stewardship Code?	Yes		
4	Do you engage with investee companies and collaborative industry initiatives directly or indirectly, with a view to mitigating risks to long-term investment goals?	Yes		
5	Do you cooperate with other institutional investors on ESG issues?	Yes		

Funding and investment

Investment

Climate change

Notes:
- Partially applies / Partially good practice. Our reading of this module is that it partially applies and is partially good practice for Public Service Pension Schemes . Paragraph 7 applies and paragraphs 4, 5, 6, 8 and 9 are good practice (shown in bold and orange below respectively).

- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
	Do you assess the risks and opportunities associated with climate change as part of your risk management?	Partially	🟧	
	Do you engage with your advisers and asset managers about how they incorporate climate risk and opportunities into their investment advice to you, and understand how climate risk is considered in investment portfolios?	Yes	🟩	
3	Do you consider the possible short, medium and long-term effects of climate change on your objectives and operations?	Partially	🟧	🟥
4	Do you document processes for identifying and assessing climate-related risks and opportunities and integrate these into your risk management and governance arrangements?	Partially	🟧	🟥
5	Do you ensure you oversee, assess, and manage climate-related risks and opportunities relating to the Fund?	Partially	🟧	

Administration

Scheme administration

Planning and maintaining administration

Notes:
- Applies

Question ID	Question	Answer	Current Score	Previous Score
1	Is induction training on administration provided to all PB and PC (or equivalent) members within 6 months of appointment?	Yes		
	Is update / refresher training on administration (including hot topics) provided to all PB and PC (or equivalent) members?	Yes		
	Have you documented the administration responsibilities and tasks, including who carries out each of these within the teams (including if a third party / shared service)?	Yes		
4	Does PB / PC (or equivalent) training include a high level overview of responsibilities / tasks in relation to administration, including who performs them (i.e. third party administrator / shared service or who in the in-house team)?	Yes		
5	If administration is outsourced to a third-party have the following aspects been considered as part of the tender process:			
5 a	▪ Appropriate advice and assistance to negotiate contractual terms?	N/A		
5 b	▪ Consideration of quality and value for members when selecting the administrator?	N/A		
6	Is administration considered at all (or most) meetings of the PB and PC (or equivalent)?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
7	Is administration and record-keeping included in your risk register?	Yes	🟩	🟩
8	Do you have a Pensions Administration Strategy in place?	Yes	🟩	🟩
9	Does your Business Plan outline the key administration tasks / areas of focus for the next 3 years?	Yes	🟩	🟩
10	Are administration processes monitored regularly to ensure they are being carried out correctly and improvements made, where required (i.e. periodic checks take place to ensure proper checking and peer review of administration tasks across all processes to ensure compliance with legislation and Fund requirements)?	Yes	🟩	🟧
11	Does the administration service (whether in-house or outsourced) provide regular reports (i.e. KPI reports, caseload reports, progress against business plan etc) to senior officers (e.g. at least monthly) which enables them to monitor the team / administrator's performance and challenge the information received?	Partially	🟧	🟧
	If administration is outsourced to a third-party is their performance regularly monitored against contractual (including overriding legal) requirements, and are issues with performance used to drive improvements?	N/A	🟩	🟩
13	Does your Business Plan include the date any third party administration / shared service contract is due to cease, with appropriate lead in time to review the approach?	N/A	🟩	🟩
14	Are all administration processes documented in a way that would enable continuous and consistent service during an absence or change in personnel or administration provider?	Yes	🟩	🟩
15	Is there a robust business continuity plan in place for the administration service (either in-house or outsourced) which is reviewed annually and regularly tested?	Yes	🟩	🟥
16	Are there clearly documented administration procedures which are regularly reviewed and updated when required due to changes in the scheme rules / internal processes?	Yes	🟩	🟩

Administration

Information handling

Financial transactions

Notes:
- **Applies**
- **This module forms part of an Effective System of Governance.**
- **This module applies to all financial transactions, including benefits, contributions and investments and you should therefore ensure all financial transactions are considered in answering these questions.**

Question	Question	Answer	Current Score	Previous Score
	Are PB and PC (or equivalent) members aware of the general procedures and controls used to ensure financial transactions are processed promptly and accurately?	Yes		
2	Financial transactions reviews:			
2 a	▪ Do you review all processes and systems relating to financial transactions annually?	Yes		
2 b	▪ Does that review lead to improvements in the processes relating to financial transactions, if required?	Yes		
3	Is there a clear and effective authorisation process in place for financial transactions?	Yes		
4	Are processes relating to financial transactions segregated and managed at appropriate levels to ensure suitable authorisation of transactions?	Yes		
5	Are all payments to and from the Fund made electronically with cheques only used in exceptional cases?	Yes		
6	Are there clear service standards and Service Level Agreements (SLAs) in relation to financial transactions in place with employers and other stakeholders, and in relation to internal Fund transactions?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
7	Do you undertake regular reviews of performance against service level agreements for financial transactions and assess if it is satisfactory?	Yes	🟩	
8	Do you have clear processes in place around communications with employers to ensure information relating to financial transactions flows appropriately?	Yes	🟩	
9	Do you undertake regular reviews of scheme data to ensure it is accurate and complete so that financial transactions can be processed accurately?	Yes	🟩	🟨

Administration

Information handling

Transfers out

Notes:
- Mostly applies. We note that paragraph 9 of this module does not apply to Public Service Pension Schemes.
- When considering this module, you should also refer to the Pension Regulator's guidance on Dealing with transfer requests (on TPR website see Scheme management detailed guidance / Administration / Dealing with transfer requests). You should also have regard to industry good practice set out in the Pension Scams Industry Group (PSIG) Code of Good Practice.

Question	Question	Answer	Current Score	Previous Score
1	Do you have clear procedures to deal with transfer out requests in a timely manner?	Yes		
2	Do you:			
2 a	▪ monitor whether you provide CETVs within the legal timeframe?	Yes		
2 b	▪ provide CETVs within the legal timeframe?	Yes		
2 c	▪ complete transfer out payments within the legal timeframe?	Yes		
3	Do you undertake the necessary checks before transferring member benefits to another arrangement, including:			
3 a	▪ check the receiving scheme is willing and able to accept the transfer and the receiving scheme is a scheme to which a transfer can legally be made?	Yes		
3 b	▪ check one of the conditions to transfer is met to grant a statutory right to transfer and if neither condition is met and the receiving scheme may be an illegitimate arrangement refuse the transfer and inform the member and report it to Action Fraud?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
4	When a member aged over 50 with an AVC arrangement contacts you enquiring about transferring their AVC arrangement out to another Defined Contribution scheme in order to access flexible benefits do you refer them to Pension Wise?	Yes		
5	Do you undertake the necessary checks as outlined in the Code (as per paragraphs 10 to 12 of this module) before transferring member benefits above £30,000 to a Defined Contribution arrangement, including that independent advice has been sought from a provider you have verified and you have received written confirmation of the advice?	Yes		
6	Are all records relating to the transfer (this includes all documentation as well as file notes from phone calls / workflow tasks etc) retained for as long as is relevant and in line with data protection principles?	Yes		

Administration

Information handling

Record keeping

Notes:
- Partially applies / Partially good practice. Paragraphs 7, 9 and 11 of this module are shown as good practice. Therefore we have shown the questions relating to these paragraphs as being good practice only.

- This module forms part of an Effective System of Governance.
- The internal control requirements under section 249B of the Pensions Act 2004 are highlighted in the Code in relation to this module. If any elements are highlighted as good practice only, you should still ensure that you have the appropriate internal controls in place.
- This module applies to record keeping across various areas including member records, transactions and meetings and you should therefore ensure all record keeping is considered in answering these questions. You should also consider the Public Service Pensions (Record Keeping and Miscellaneous Amendment Regulations 2014).

Question ID	Question	Answer	Current Score	Previous Score
1	Overall do you (and any third party administrator / shared service) record the information required as listed in the Record Keeping Regulations for:			
1 a	▪ Members' and beneficiaries' data?	Yes – Evidence provided		
1 b	▪ Transactions?	Yes – Evidence provided		

Question ID	Question	Answer	Current Score	Previous Score
1 c	▪ Pension Board meetings and decisions?	Yes – Evidence provided	🟩	
2	Do you (and any third-party administrator / shared service) have processes in place to maintain accurate and up-to-date records covering:		🟩	
2 a	▪ Members' and beneficiaries' data?	Yes	🟩	
2 b	▪ Transactions?	Yes	🟩	
2 c	▪ Pension board meetings and decisions?	Yes	🟩	
3	Do you (and any third-party administrator / shared service) retain records for as long as the information is relevant and in line with data protection legislation?	Partially	🟧	
	Do you (and any third-party administrator / shared service) store data securely and for legitimate purposes only on administration systems?	Partially	🟧	
	Are all member and benefit records held electronically on a dedicated administration system?	Yes	🟩	
6	Are records kept of changes to Fund governing documents (e.g. strategies and policies), including records of how the changes have been applied to your members?	Yes	🟩	
7	Do you (and any third-party administrator / shared service):		🟩	
7 a	▪ Hold all basic member data defined as common data?	Yes	🟩	
7 b	▪ Identify, record and validate data defined as scheme specific data?	Yes	🟩	

Question ID	Question	Answer	Current Score	Previous Score
8	Do you continually consider technological developments to improve administration and record keeping?	Yes		
9	Do you have processes in place to record member benefits, identifiers, contributions, investments and disinvestments, member decisions, payments, transfers and accurately carry out benefit calculations?	Yes		
10	Do you issue Annual Benefit Statements as required by law, which are accurate, include both accrued and projected benefit amounts and issued in the timescales required? (For LGPS this is by 31 August each year and must be sent to active, deferred, deferred pensioner and pension credit members).	Yes		
11	Do you carry out reconciliations of data, transactions and investments?	Yes		
12	Are there reporting mechanisms in place to identify members approaching retirement and other scheme specific events?	Yes		
13	Do you use software to allow financial and other transactions to be carried out automatically and securely (e.g. monthly scheme member data uploads from employers)?	Yes		
14	Do you regularly generate reports relating to, contributions, membership movements, core data and scheme specific data?	Yes		
15	Do you have processes in place to enable employers to provide timely and accurate data?	Yes		
16	Do you have processes and policies in place to reconcile scheme data with employer data?	Yes		
17	Do you have processes in place to identify where an employer fails to meet their legal duties relating to the scheme, and an escalation process in place to manage that situation?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
18	Do employers understand the main events that must be reported and do you provide ongoing employer information such as employer guides and training to assist employers understand their responsibilities in communicating member information to the scheme?	Yes		

Administration

Information handling

Data monitoring and improvement

Notes:
- Applies
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
	Do you (and any third party administrator / shared service) have processes in place to monitor scheme data in line with the requirements of the Code (paragraphs 5a to 5h in this module)?	Yes	🟩	
	Do you assess the need for a data review exercise at least annually (including in relation to any third party administrator / shared service), and identify where any additional data review is needed due to scheme or administrator changes?	Yes	🟩	
3	Do you (and any third party administrator / shared service) assess the accuracy and completeness of common data and scheme specific data?	Yes	🟩	
4	Do you keep a record of data reviews undertaken and their findings (including by any third party administrator / shared service)?	Yes	🟩	🟧
5	Is a data improvement plan in place which is being monitored, actions progressed, and with defined target dates?	Yes	🟩	🟧
6	Have you clearly documented decisions / policies related to areas where data cannot be corrected?	Partially	🟧	
7	Do your member data processes meet the requirements of the Data Protection Act 1998 and the data protection principles?	Yes	🟩	

Question ID	Question	Answer	Current Score	Previous Score
8	Do you have processes in place to address any breaches of the data protection legislation?	Yes		
9	Are all administering authority staff trained in understanding the requirements of data protection law?	Yes		

Administration

IT

Maintenance of IT systems

Notes:
- Applies
- This module forms part of an Effective System of Governance.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you record evidence of how changes are planned and executed within your IT systems?	Yes		
2	Is scheme and member data backed up regularly?	Yes		
3	Are disaster recovery plans in place for IT system failures and are these regularly tested?	Yes		
4	Do you have a written policy / policies for maintaining, upgrading and replacing hardware and software?	Yes		
5	Are you satisfied that adequate IT and personnel resources are available with appropriate functionality / skills?	Yes		
6	Are you able to demonstrate that your IT systems can meet current and anticipated system requirements, including having a schedule for the software to be replaced or updated when legislation changes occur (e.g. for regular changes to tax thresholds / revaluation etc)?	Yes		
7	Are you able to demonstrate that you have plans in place to manage expected and potential future upgrades within the administration system?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
8	Do you ensure that your service providers (note - not just IT service providers) meet TPR's standards for maintaining their own IT systems as set out in paragraph 5 of this module?	Yes		

Administration

IT

Cyber controls

Notes:
- Mostly applies / Partially good practice. Our interpretation is that most of this module applies to Public Service Pension Schemes. Paragraphs 3 and 4 of this module refer to internal controls which is a legal requirement for Public Service Pension Schemes. Therefore all questions within this module are shown as applying.

- The internal control requirements under section 249B of the Pensions Act 2004 are highlighted in the Code in relation to this module. If any elements are highlighted as good practice only, you should still ensure that you have the appropriate internal controls in place.

- When considering this module, you should also refer to the Pension Regulator's guidance on Cyber security principles for pension schemes (on TPR website see Scheme management detailed guidance / Administration / Cyber security principles). We recommend that further action is taken to review this guidance to ensure that you are following it.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have a Fund specific Cyber Policy / strategy covering the recommended areas set out in the Code? (paragraphs 8 and 9 of this module)?	Yes	🟩	🟧
2	Can the PB and PC (or equivalent) demonstrate good knowledge and understanding of cyber risk and how this relates to the Fund?	Yes	🟩	
3	Do you understand the need for confidentiality, integrity and availability of the systems and services for processing personal data?	Yes	🟩	

Question ID	Question	Answer	Current Score	Previous Score
4	Do you have a Fund specific Cyber Incident Response Plan which contains: a) clearly defined roles and responsibilities to identify cyber risk and breaches; and b) how to respond to cyber incidents?	Yes		
5	Do you include cyber risks on the Fund's risk register and is this regularly reviewed and discussed at PC (or equivalent) meetings?	Yes		
6	Do you have access to specialist skills and expertise to assist you with understanding and managing cyber risk?	Yes		
7	Do you (or any third party administrator / shared service) have appropriate system controls in place which are up to date (e.g. firewalls, anti-virus and anti-malware products)?	Yes		
8	Have you documented details such as use of devices and working remotely (i.e. Cyber Hygiene guidelines)?	Partially		
	Do you receive appropriate assurance of service providers' internal cyber controls?	Partially		

Administration

Contributions

Receiving contributions

Notes:
- Partially applies. Our reading of this module is that it partially applies for Public Service Pension Schemes. Paragraphs 1, 2 and 4 apply whilst paragraphs 5 and 6 do not apply (as Public Service Pension Schemes are exempt as set out in paragraph 4).

- This module forms part of an Effective System of Governance.
- Refer to Local Government Pension Scheme Regulations 2013, particularly regulations 67, 68 and 71 for requirements relating to payments of contributions.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have in place a Rates and Adjustments Certificate, and do you notify all employers in writing of (a) their required contribution rates in accordance with that Certificate and (b) scheme member contribution rates as updated annually in accordance with the scheme regulations?	Yes		
2	Do you have systems in place to monitor the payment of contributions from employers, and quickly identify and pursue any missing payments, and do you maintain records of missed contributions and all recovery activities?	Yes		

Administration

Contributions

Monitoring contributions

Notes:
- Applies
- This module forms part of an Effective System of Governance.
- Refer to Local Government Pension Scheme Regulations 2013, particularly regulations 67, 68 and 71 for requirements relating to payments of contributions.

Question ID	Question	Answer	Current Score	Previous Score
	Do you have a contributions' monitoring record to determine whether the correct rate of employer contributions are paid, paid on time and in full, and does it include the information required by paragraph 7 in this module?	Yes		
	Do you keep records of any employer contributions due to the Fund that have been written off, including copies of decisions / authorisation in relation to these?	Yes		
3	If administration is outsourced to a third-party who carries out monitoring of contributions for you, do you receive regular information on the payment of contributions to the Fund including when employers have failed to meet deadlines, are paying incorrect amounts or are not providing the required information?	N/A		
4	Do you record and retain information on transactions that supports your monitoring responsibilities, including records of all contributions received in relation to each scheme member and payments of pensions and other benefits?	Yes		
5	Do you carry out regular (at least annual) spot checks on the amount of scheme member contributions being deducted by employers?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
6	Do you have internal controls in place to reconcile all contribution payments notified by an employer against the amounts actually received, and all scheme member contributions notified by an employer against the amounts uploaded to individual scheme member records?	Yes		
7	Do you have processes in place to check on an ongoing basis that employers are providing sufficient information to allow you to monitor both scheme member and employer contributions and that the information provided is in accordance with the LGPS regulation 69(3) and the Code (paragraphs 11a, b and c in this module)?	Yes		

Administration

Contributions

Resolving overdue contributions

Notes:
- Applies
- Refer to Local Government Pension Scheme Regulations 2013, particularly regulations 67, 68 and 71 for requirements relating to payments of contributions.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have a documented process and systems in place for dealing with overdue payments and rectifying administration errors, and do they cover the steps outlined in the Code (paragraphs 4a to 4i of this module)?	Yes		
2	Where a payment failure has occurred, do you maintain a record of your investigation, all decisions made and by whom, and communications with the relevant employer?	Yes		
3	Do you periodically undertake a review of processes to detect situations of deliberate underpayment or fraudulent behaviour of an employer?	No		
4	Does your process include steps to identify whether a payment failure is of material significance in order to determine whether it should be reported to TPR?	Yes		

Communications and disclosure

Information to members

General principles for member communications

Notes:
- Applies
- This module forms part of an Effective System of Governance.
- When considering this module, you should also refer to the Pension Regulator's guidance on Equality, Diversity and Inclusion (on TPR website see Scheme management detailed guidance / Governing body / Equality, diversity and inclusion (EDI)).

Question	Question	Answer	Current Score	Previous Score
	Do you:			
1 a	▪ understand the legal requirements around the information you must provide to members and the required timescales as outlined in The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 and other legislation?	Yes		
1 b	▪ monitor whether you meet the legal timescales as outlined in The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 and other legislation?	Partially		
1 c	▪ meet these legal requirements in relation to the information being provided within the required timescales?	Partially		
2	Do you follow the principles of plain English in your communications and ensure that all communications sent to members are accurate, clear, concise and relevant?	Partially		

Question ID	Question	Answer	Current Score	Previous Score
3	Do you consider member engagement, equality, diversity and inclusion when developing member communications to ensure they are accessible for all, including use of accessible on-line content, audio, alternative languages etc?	Yes		
4	Do you regularly review member communications for accuracy and good practice, taking account of member feedback?	Yes		
5	Do you consider and where appropriate, maximise the use of technology in assisting with communication to members, for example the use of a member self-service portal for the membership?	Yes		
6	Do you regularly provide additional information and explanation to members to help them make informed decisions?	Yes		
7	Do you regularly communicate the benefits of the scheme to the membership?	Yes		
	Do you have a Communications Policy which has been approved by your PC (or equivalent)?	Yes		
	If yes, do you review your Communications Policy regularly (at least every three years), and is it currently up to date, accurate, relevant and in accordance with LGPS Regulations?	Yes		

Communications and disclosure

Information to members

Benefit information statements (PSPS)

Notes:
- Applies

Question ID	Question	Answer	Current Score	Previous Score
1	Do you issue all Annual Benefit Statements (covering active members, deferred members, deferred pensioner members and pension credit members) within the required legal timescales (by 31st August)?	Yes		
2	Does the statement for active members include a description of the benefits earned by the member during their pensionable service?	Yes		
3	Do the statements comply with HM Treasury directions and LGPS regulations in terms of what information is included and the way it must be provided to members?	Yes		
4	Are annual benefit statements provided to all members with AVCs within the required timescales?	Partially		
5	Do the annual benefit statements provided to members with AVCs meet the legal requirements in relation to the information provided?	No		

Communications and disclosure

Information to members

Retirement risk warnings and guidance

Notes:
- Applies. This module applies in relation to Additional Voluntary Contribution (AVC) arrangements.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you provide information about Pension Wise with application forms or any other methods that allow members to take payment of their AVC plan, where this is required by legislation?	Yes		
	Do you check that members have completed and signed a declaration form confirming they have taken guidance or opted out of guidance before processing a member's AVC choices upon drawing benefits, where this is required by legislation?	Yes		

Communications and disclosure

Information to members

Notification of right to cash transfer sum or contribution refund

Notes:

- Mostly applies. We note that paragraph 8 of this module does not apply to Public Service Pension Schemes.

- When considering the information in this module, you should also be mindful of other legal timescales including 27A(1)(a) of The Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 requiring notification of rights and options available on leaving within 2 months of being notified pensionable service has terminated.

Question	Question	Answer	Current Score	Previous Score
1	Where a member has a right to a cash transfer sum (i.e. cash equivalent transfer value) or a contribution refund do you provide written notice to the member containing the information required to explain their rights, within three months of the date the member leaves the scheme, and advise members where it is likely to take more than three months to provide the information?	No		
2	When writing to members about a cash transfer sum or a contribution refund do you give them at least three months to reply and are their wishes carried out within three months of receiving them?	Yes		

Communications and disclosure

Information to members

Scams

Notes:
- Applies
- When considering this module, you should also refer to the Pension Regulator's guidance on Dealing with transfer requests (on TPR website see Scheme management detailed guidance / Administration / Dealing with transfer requests). You should also have regard to industry good practice set out in the Pension Scams Industry Group (PSIG) Code of Good Practice.

Question ID	Question	Answer	Current Score	Previous Score
1	Do you (or any third party administrator / shared service) have the appropriate internal controls in place to ensure that appropriate steps are taken to mitigate the risk of a scam?	Yes		
2	Are you aware of the warning signs of a scam and do you consider whether these are present when dealing with member requests to transfer out or take benefits?	Yes		
3	Do you ensure that members are provided with relevant information and communications to make them aware of the risks of pension scams?	Yes		
4	Are appropriate due diligence checks carried out when members request a transfer out of the scheme to a Defined Contribution arrangement, where appropriate, and is a check made that at least one of the conditions for a transfer to proceed has been met (i.e. not applicable for a club transfer)?	Yes		

Communications and disclosure

Public information

Publishing scheme information (PSPS)

Notes:
- Mostly applies / Partially good practice. Whilst most of this module applies for Public Service Pension Schemes we note that it includes a paragraph (paragraph 6) which sets out a number of items which scheme managers 'may' wish to publish. Therefore we have shown the question relating to this paragraph as being good practice only.

Question	Question	Answer	Current Score	Previous Score
1	Do you publish and maintain the required information about the PB (i.e. who the PB members are, scheme member representation and the matters the PB is responsible for)?	Yes		
2	Do you publish other useful related information about the PB as set out in paragraph 6 of this module?	Yes		
3	Do you have policies and processes to monitor all published data relating to the PB on an ongoing basis to ensure it is accurate and complete?	Yes		
4	Do you ensure any out of date or incorrect information identified is updated as soon as possible and in any event within one month?	Yes		

Communications and disclosure

Public information

Dispute resolution procedures

Notes:
- Mostly applies / Partially good practice. Whilst most of this module applies for Public Service Pension Schemes we note that it includes a paragraph (paragraph 12) which refers to good practice. Therefore we have shown the questions relating to this paragraph as being good practice only.
- This module forms part of an Effective System of Governance.
- The TPR Code clearly states that for Public Service Pension Schemes where the regulations provide for shorter periods to consider grievances than that specified in the Code, those regulations will apply. Therefore, when considering the information in this module, you should also be aware of the scheme specific requirements including regulations 72 to 79 of the Local Government Pension Scheme Regulations 2013.

Question	Question	Answer	Current Score	Previous Score
1	Do you have a formal internal dispute resolution procedure including a documented and clear application process for members and prospective members to follow?	Yes		
2	Do you provide your internal dispute resolution procedure to:			
2 a	▪ Prospective members where practical?	Yes		
2 b	▪ Any scheme members who may not have been given the information?	Yes		
2 c	▪ On request from members, if not already provided in the previous 12 months?	Yes		
3	Do you provide members with information about the Money and Pensions Service and the Pensions Ombudsman at certain stages of the dispute?	Yes		

Question ID	Question	Answer	Current Score	Previous Score
4	Do you regularly review and assess compliance with legislation and the effectiveness of your dispute procedure, including ensuring all appropriate information is available and whether separate advice is required to reach a decision?	Yes		
5	Do you have an appointed person (the adjudicator) for dealing with stage 1 disputes and is this person's contact details provided when providing members with the dispute procedure and notifying members of a first instance decision?	Yes		
6	Is the following information made available to members / prospective members as part of any notification of their rights or liabilities under the scheme:			
6a	▪ The process to apply for a dispute to be resolved, including to who?	Yes		
6b	▪ The information that an applicant must include?	Yes		
6c	▪ The process by which decisions are reached?	Yes		
7	Do you ensure that timescales relating to the different stages of the dispute procedure meet the requirements of the LGPS regulations and the Code?	Yes		
8	Does your published procedure include the time limits within which members or prospective members must make an application?	Yes		
9	Do you make your procedure accessible to members and potential applicants by publishing it on a scheme website?	Yes		
10	Do you keep applicants informed of the progress of their dispute, in particular if it is looking likely the timeframes may not be met?	Yes		

Reporting to TPR

Regular reports

Registrable information and scheme returns

Notes:
- Applies

Question ID	Question	Answer	Current Score	Previous Score
1	Is your Fund / scheme registered with TPR?	Yes		
	Are you aware of the requirement to report any changes to registrable information to TPR as soon as is reasonably practicable, and at the very latest, within five working days of you becoming aware of the change? (Note this includes changes to contact details and employers).	Yes		
	Do you ensure that your scheme return is completed accurately and submitted annually in the required timescale?	Yes		

Reporting to TPR

Whistleblowing – reporting breaches of the law

Who must report

Notes:
- Applies
- When considering this module, you should also refer to the Pension Regulator's guidance on Complying with the duty to report breaches of law (on TPR website see Scheme management detailed guidance / Communications and reporting / Complying with the duty to report breaches of law).

Question	Question	Answer	Current Score	Previous Score
1	Do you have arrangements in place, such as a documented Breaches of the Law Procedure (or equivalent) and separate processes, to ensure breaches of the law are identified, recorded and managed?	Yes	🟩	🟨
2	Is this Procedure (or equivalent) regularly reviewed (at least every three years), and is it currently up to date, accurate, relevant and in accordance with legal and Code requirements?	Yes	🟩	🟩
3	Have you provided your Breaches of the Law Procedure (or equivalent) to those responsible for reporting breaches to ensure they are aware of their legal responsibilities and requirements of the Code to report breaches to TPR (i.e. Fund Officers, PCs (or equivalent), PBs, Service Providers, Employers, Professional Advisers)?	Yes	🟩	🟥
4	Do you provide additional training on reporting breaches to those responsible for reporting breaches and does this highlight (a) that breaches of the law go beyond administrative tasks and record keeping and (b) the whistleblowing protection?	Yes	🟩	🟥

Reporting to TPR

Whistleblowing – reporting breaches of the law

Decision to report

Notes:
- **Applies**
- **When considering this module, you should also refer to the Pension Regulator's guidance on Complying with the duty to report breaches of law (on TPR website see Scheme management detailed guidance / Communications and reporting / Complying with the duty to report breaches of law).**

Question ID	Question	Answer	Current Score	Previous Score
	Does your Breaches of the Law Procedure (or equivalent) include information to ensure that TPR's expectations for identifying and assessing breaches are met?	Yes		
	Does your Breaches of the Law Procedure (or equivalent) include a process to determine whether a breach or potential breach of the law is of "material significance" taking into account the cause, effect and reaction to the breach, including where TPR guidance can be found?	Yes		

Reporting to TPR

Whistleblowing – reporting breaches of the law

How to report

Notes:
- Applies
- When considering this module, you should also refer to the Pension Regulator's guidance on Complying with
the duty to report breaches of law (on TPR website see Scheme management detailed guidance /
Communications and reporting / Complying with the duty to report breaches of law).

Question	Question	Answer	Current Score	Previous Score
1	Does your Breaches of the Law Procedure (or equivalent) include all the elements within paragraph 2a to 2f of this module?	Yes	🟩	
2	Do you make information available to those responsible for reporting breaches for your Fund setting out how to make a report to TPR, what should be included in the report and the timescales within which the report should be made?	Yes	🟩	
3	Do you have a system in place for recording breaches, even if they are not reported to TPR (e.g. in a Breaches Log) including ongoing assessment of those breaches?	Yes	🟩	🟧

Reporting to TPR

Whistleblowing – reporting breaches of the law

Reporting payment failures

Notes:
- Applies

Question ID	Question	Answer	Current Score	Previous Score
1	Do you have a process in place to ensure all those who have a duty to report breaches report all contribution payment failures deemed to be of material significance to TPR, and within the timeframes specified in the Code?	Yes	🟩	🟥
	Do you have a system in place for recording all contribution payment failures, even if they are not reported to TPR (e.g. in a Breaches Log)?	Yes	🟩	🟩

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Pensions Administration Performance Update Quarter 3 2025/26

26 February 2026

Contents

Highlights and Recommendations

Highlights over the quarter to the end of December 2025 include:

- SLA's - 65% of casework within target. Improvement on Q2. This is under the Authority's 90% target.
- 96% of backlog cases now cleared.
- 89% of members responding to surveys were satisfied.
- 104,338 (58%) members registered for online portal 20% logged on this year.
- 4 Appeals, 4 Breaches, 9 complaints
- 568 Active Employers (Dashboard lag being investigated)

Quarter 3, to 31 December 2025, saw further improvements to the Authority's pension administration service.

The service is working to an overall improvement plan with progress summarised in the table below:

Corporate Action 25/28	Update	On Target
PA1 - Clear the remaining Backlogs of casework and ensure arrangements in place to prevent further backlogs developing	As at 3rd February 4% pf backlog outstanding, which includes 1 Interfund In and 869 Deferments. On target to clear by 31.03.2026.	Yes
PA2 - Plan and deliver the Valuation 2025, including increased engagement with employers.	Project running to timetable. Final Valuation report expected before 31 March 2026 following the recent announcement from Government regarding their requirements for Gender Pension Gap to be included in the report.	Yes
PA3 – Implement the McCloud Remedy successfully.	Testing had recommenced in the new year for rectification work but had to stop due to roll back of the latest install. Updates are due to system 4/4/2026 when testing will resume on the rectification functionality.	No
PA4 - Deliver the Data Quality Improvement	The Data Quality Improvement strategy/plan has been published. Work continues to develop and review the plan complying with the 4 key improvement areas.	Yes
PA5 - Ensure Pensions Administration software system is developed, and its functionality used to optimal effect for achieving efficiencies, to the extent possible.	Excluding the McCloud delays the teams have implemented several system improvements including employer Hub, phone logs and process improvements. Currently testing automation planned go live 01.04.2026.	No
PA6 - Implement the Pensions Dashboards to required timescales	Connected the Authority to the Money Helper Dashboard eco structure. Dashboard is expected to be open to the Public early 2027.	Yes

The Local Pension Board are recommended to:

    a. Note the contents of this report with or without comment.

Background

The Pensions Administration Service is the Authority's largest outward facing service managing the organisation's relationship with just over 181,000 scheme members and over 560 employers. The success of the Administration Service is crucial to the success of the organisation and this report aims to set out for the most recent quarter and the financial year to date:
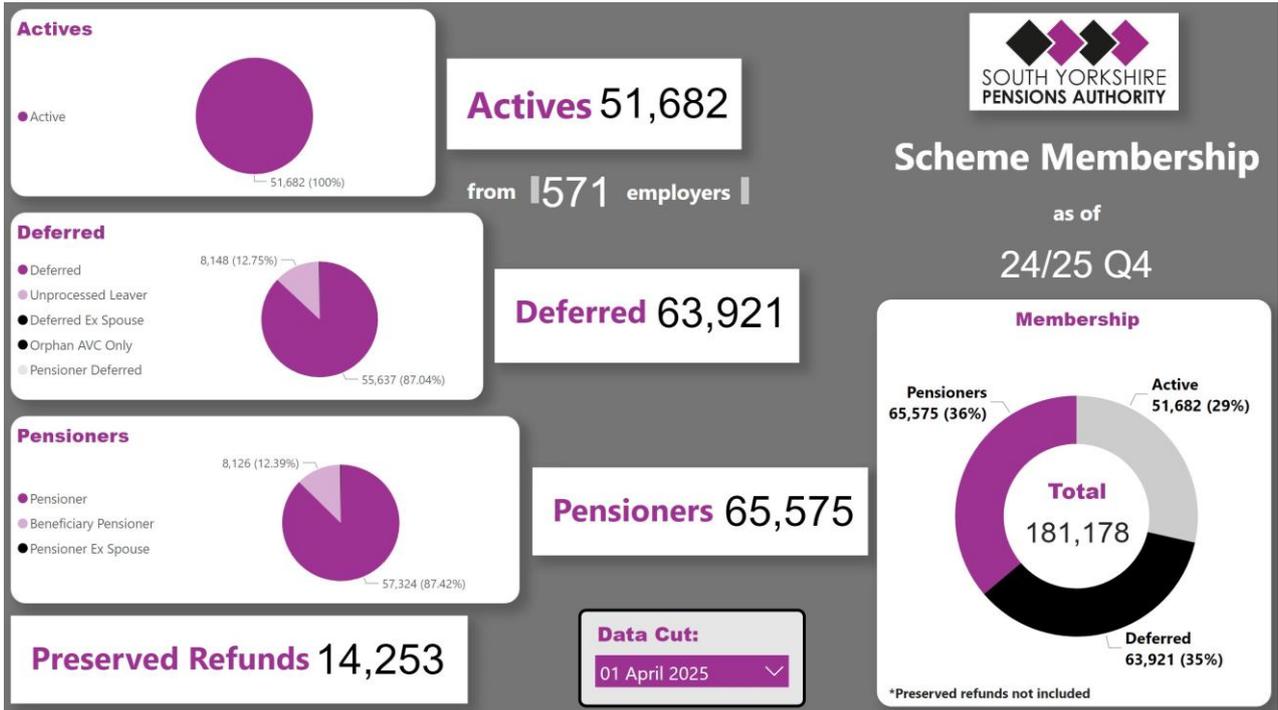
- Levels of activity related to both scheme member and employer activity.
- Levels of performance against the agreed standards
- Progress on delivering key projects and major cyclical activity
- Emerging policy issues and their implications for the Authority.

This report, like other performance information, is published on the Authority's website as well as being considered at meetings of the Local Pension Board.
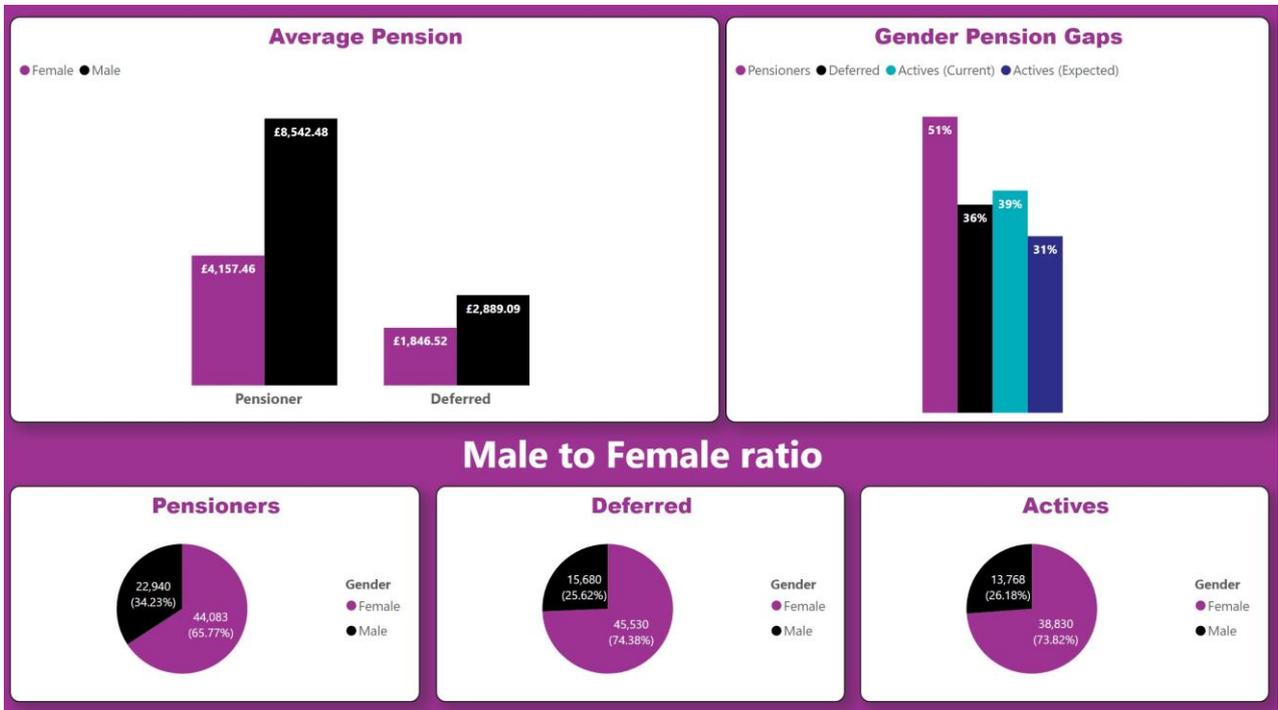
Membership Profile at 31/12/2025

Actives
- Active
- 52,491 (100%)

Actives 52,491 (+ 1,487)
from 563 employers

Deferred
- Deferred
- Unprocessed Leaver
- Deferred Ex Spouse
- Orphan AVC Only
- Pensioner Deferred
- 6,468 (10.5%)
- 54,994 (89.26%)

Deferred 61,610 (- 1,681)

Pensioners
- Pensioner
- Beneficiary Pensioner
- Pensioner Ex Spouse
- 8,270 (12.34%)
- 58,602 (87.46%)

Pensioners 67,004 (+ 518)

Preserved Refunds 14,198

SOUTH YORKSHIRE PENSIONS AUTHORITY

Scheme Membership
as of
25/26 Q3

Membership

Pensioners 67,004 (37%)
Active 52,491 (29%)
Total 181,105
Deferred 61,610 (34%)

*Preserved refunds not included

## Membership Profile Q4 2024/25

Gender Pension Gap – Deferred and Pensioner Members

Casework Processing

This section of the report deals with the level of casework processing activity being undertaken and performance against agreed targets. The Team have cleared 96% of the backlog, detail of which is included later in this report.

65% of casework was within target in this quarter. Which is a slight improvement (3%) on the last quarter. (63% in target across Q3 and to date).
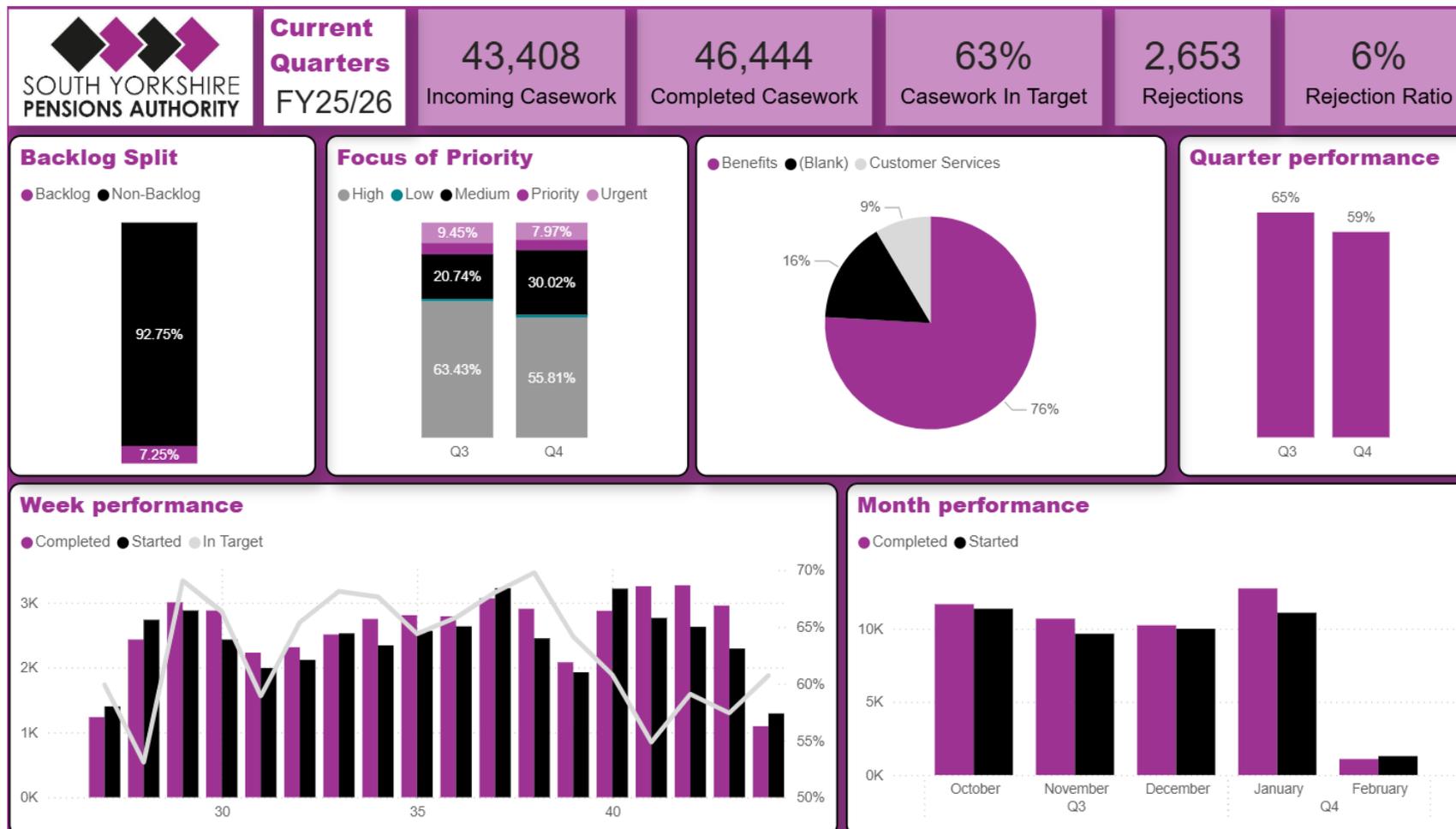
The table below shows the number of leavers the team were notified of in this quarter together with KPI's for processing deaths, retirements, transfers, child reviews and divorce cases.

Process Name	Total Started	Total Complete	In Target	In Target (%)	Previous quarter		
Death within the Membership	892	879	500	57%	56.00%	⬆	0.91%
A Member Leaving the Scheme	4,645	5,651	2,621	46%	51%	⬇	-4.62%
Transfer into the Scheme	699	681	371	54%	52.00%	⬆	2.48%
An Estimate of Pension	656	718	536	75%	67.00%	⬆	7.65%
Aggregating a Member's Benefits	9,814	10,157	5,307	52%	54.00%	⬆	-1.75%
Retirement within the Scheme	778	830	600	72%	64.00%	⬆	8.29%
Transfer out of the Scheme	286	328	165	50%	56.00%	⬇	-5.70%
A Quote or Settlement of a Divorce	87	102	57	56%	69.00%	⬇	-13.12%
Recalcuation of a Member's Benefits	44	77	7	9%	2%	⬆	7.09%

The Authority's target at present is 90% of casework (as detailed in Data Improvement Strategy) to be processed within target. 1st October 2025 saw the reintroduction of overtime for backlog work. The Team was also given defined focus areas. Incoming work has been building up over the year particularly around transfers and interfunds. The new ways of working are now slowly having a positive effect but of course this along with the backlog clearance work negatively affects the in-target completion rates. It is expected that completion rates in time from March 2026 onwards should start to improve. One area of work which is difficult to manage is the level of members leaving the scheme and the member movements within Employers which mean they have multiple records that must be combined ("aggregation a members benefit").

The Team is testing some system automation to help with Leavers processes. It is hoped this could go live from April 2026. It is difficult to predict the likely percentage of work that automation will help complete. Please note that the main backlog still to be cleared is old deferments so these will affect the in-target completion rate in the next quarter.

The project looking at processing target days has identified processes where the in-house targets are unrealistic compared to the way the regulations have changed and to where SYPA was 10 years ago. The McCloud remedy, as one example, has increased the complexity for several processes including Leavers. As the system functionality is delayed coping with the legislative changes there is still a lot of manual calculations being undertaken at present. The number of days within some processes have now been changed so this should show an increase of work completed in time in future quarters. One process updated was the actual Retirement member journey. This process had continued in the same way as under the Final Salary scheme rules. As the CARE scheme requires actual pay received to date of retirement, the retirement calculations will only be provided to the member once their employer has confirmed their pay to date of leaving and provided the leaver details. Member communication has been aligned with the updated processing requirements, and it is hoped that this will improve the completion within target data and reduce the number of recalculations of retirement benefits due to pay corrections received from Employers.

Please note that when processing a death, the Administration system is using up a processing day each time a process is brought out of hold, each time information is expected back from the estate and this is negatively impacting on the statistics, 57% of cases are only showing as within target this quarter. This anomaly is being investigated to find a solution.

Currently staffing isn't at a level that can keep on top of incoming work and clear outstanding work. A proposal is being explored by SMT to tackle this issue.

Customer Feedback

The Authority carries out rolling surveys of customer satisfaction. These can highlight areas for improvements across the teams.

Customer Satisfaction – Retirement Survey & Customer Centre Phone Calls – August to October 2025

Retirement Survey sent to 606 members with an email address. Of those 112 responded (18%).

Customer Centre Phone Survey sent to 4,154 members with an email address. Of those 310 responded (7%).
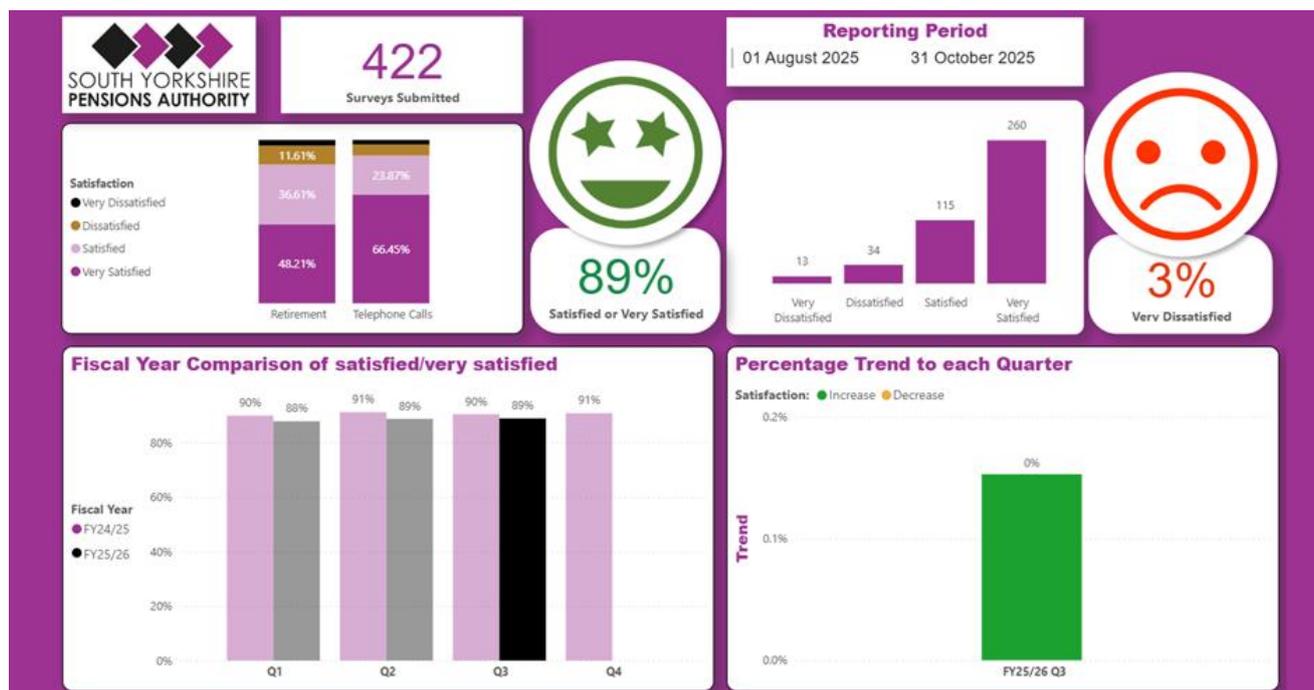
Most comments received were individual to those members. However, the comments below were noted;

- Not everyone likes to go online, they like to have a real person explain and go through information too them.
- Needs a quicker response time. My issue is still not resolved even after paying a fee for a transfer value.
- Acknowledge receipt of completed form posted back to SYPA.

Team Actions

- While digital services continue to expand, the Fund recognises that some members prefer personal, one-to-one support. These members are supported through a range of alternative channels, including telephone and written correspondence, ensuring that services remain accessible and inclusive.
- We appreciate member concerns regarding timescales. Transfer value cases can be lengthy due to the detailed calculations and verification required, as well as dependencies on information from third parties. Payment of a fee covers the calculation of the transfer value

but does not guarantee immediate completion of the transfer. Fees are only charged when the member has already received a quote in that 2 month period.

- We recognise that members may value confirmation that forms have been received. However, providing written acknowledgements for all returned forms would involve significant additional time and cost. Confirmation is therefore provided through completion of the case once all required information has been received.

Scheme Member Engagement – New Joiner Survey – June - August 2025

1,154 members were surveyed. The survey specifically asks about the welcome email/letter, including registration of the online portal. 25 completed surveys received. Just under 2% response rate.
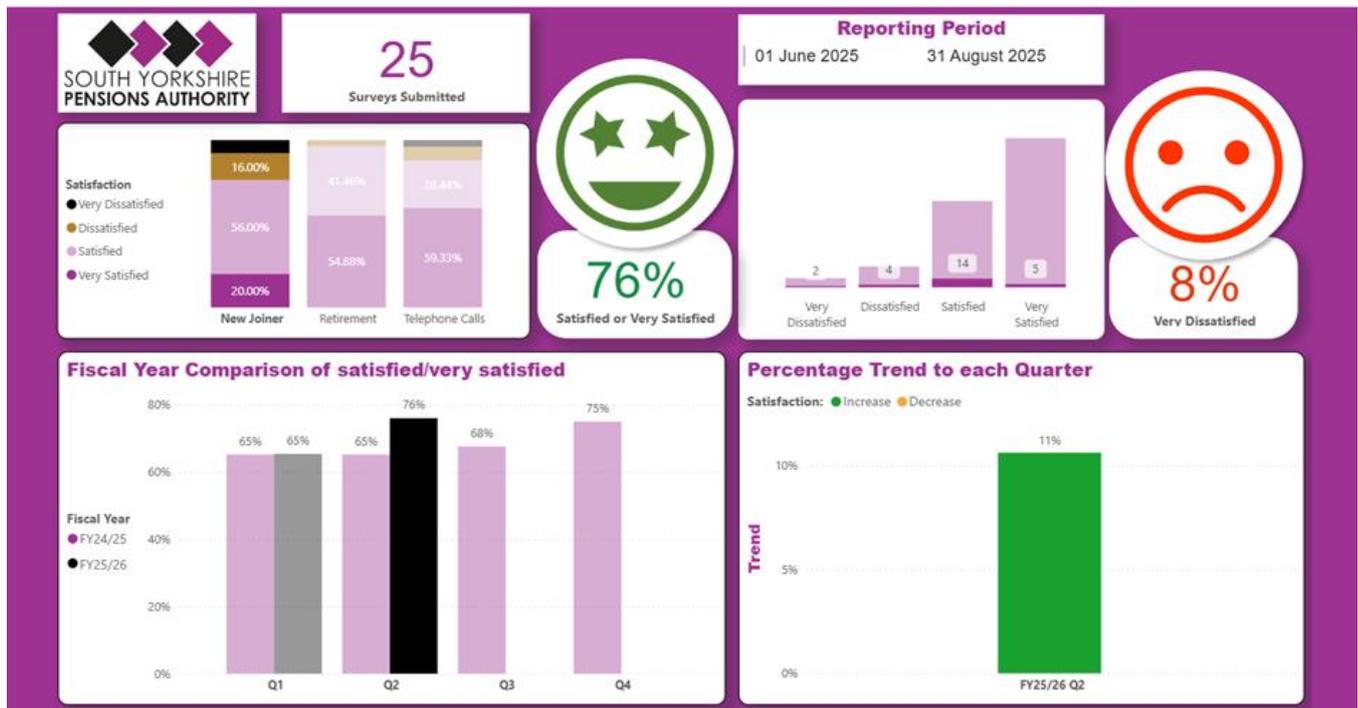
Comments from the Survey:

- I just would like to merge my pension.10 years ago when I moved schools there was a backlog and there still is.

- Just carry pensions on. It makes no sense to keep creating a new SYPA pension when people already have one.

Team Actions

- The Board is aware of the aggregation backlog referenced in the survey comment, which has been previously reported, including the underlying causes and the actions being taken to address it.

- In relation to the creation of multiple pension records, when a member starts a new employment, they have the option to aggregate their benefits or to retain separate pension records. The regulations state that a new pension record has to be created and the options available given to the member. In some cases, keeping records separate may be beneficial to the member, depending on their individual circumstances and scheme rules. As such, the option to retain separate pension records is given.

Scheme Member Engagement – Customer Centre Emails

Customer Centre Emails – "click face" Survey August to October 2025.

Q. Overall, how satisfied are you with the service you receive from us?		Compared to last quarter
Excellent	60%	Down 5%
Good	15%	
Ok	14%	Up 5%
Poor	16%	
Total Number of Respondents	76 out of 8,587 emails sent	

Comments left from members who rated the service as poor:

- I was not dealt with quickly enough.
- It did not fully resolve my query.
- Having to sign up just to read an email from a service I may never use is very annoying

Team Actions

All members who rate the service poor and leave their contact details, are contacted and offered help to resolve any issues.
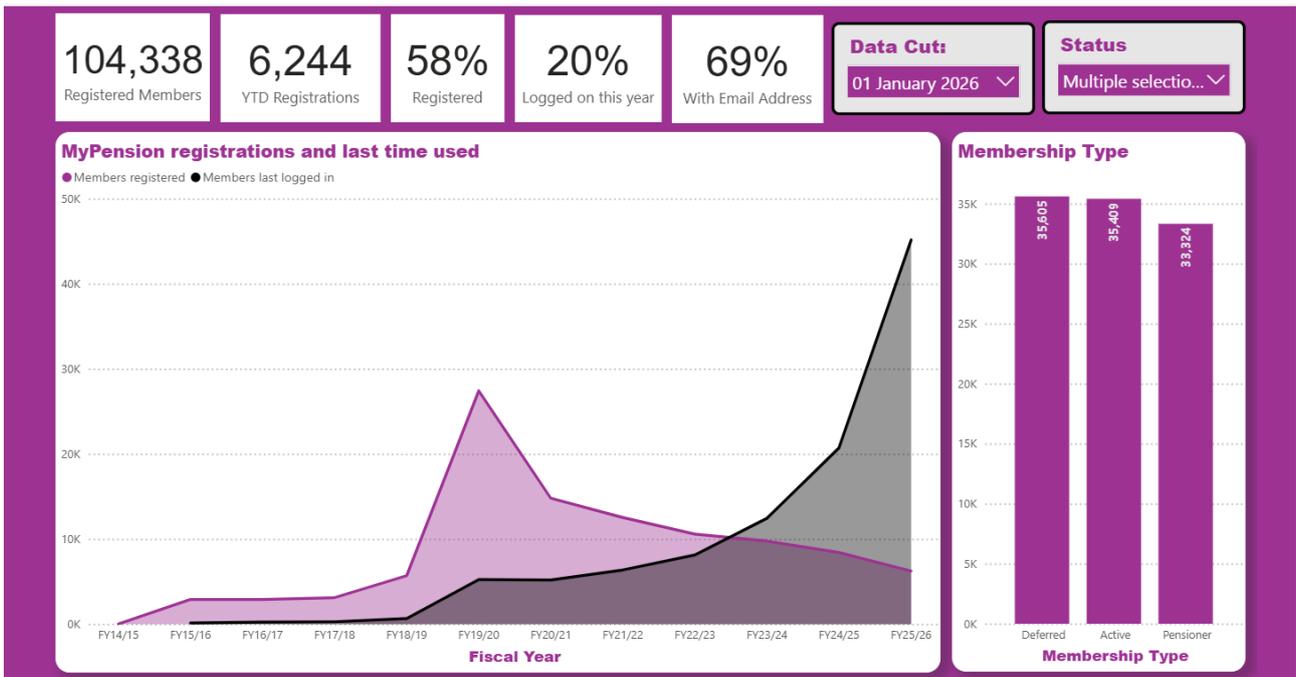
Processes Completed by the Customer Centre

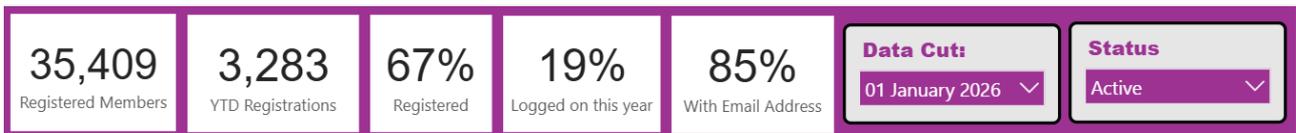| Completed	In Time		Out of Time		Total	
	May to July 25	**Aug to Oct 25**	May to July 25	**Aug to Oct 25**	May to July 25	**Aug to Oct 25**
Total Processes	5,624	**5,887**	1,116	**1,011**	6,740	**6,898**

85% processes completed in time for the period August to October 2025, **up by 1.6%** from last quarter.

Member Engagement – online portal

All scheme members (regardless of status) are encouraged to sign up to the online portal. There was a total of 6,244 new registrations in the quarter to the end of December 2025.

104,338 Registered Members | **6,244** YTD Registrations | **58%** Registered | **20%** Logged on this year | **69%** With Email Address | Data Cut: 01 January 2026 | Status: Multiple selectio...

MyPension registrations and last time used
● Members registered ● Members last logged in

Membership Type

Active Members

35,409 Registered Members | **3,283** YTD Registrations | **67%** Registered | **19%** Logged on this year | **85%** With Email Address | Data Cut: 01 January 2026 | Status: Active

Deferred Members

35,605 Registered Members | **2,198** YTD Registrations | **58%** Registered | **20%** Logged on this year | **65%** With Email Address | Data Cut: 01 January 2026 | Status: Deferred

Pensioners

33,324 Registered Members | **763** YTD Registrations | **50%** Registered | **21%** Logged on this year | **61%** With Email Address | Data Cut: 01 January 2026 | Status: Pensioner

Appeals Breaches and Complaints

The Authority deals with a number of appeals, breaches & complaints each quarter. Below is a summary of the cases that have been dealt with or that are currently outstanding. The on-going column includes any appeals that are still been investigated from previous quarters.

Appeals
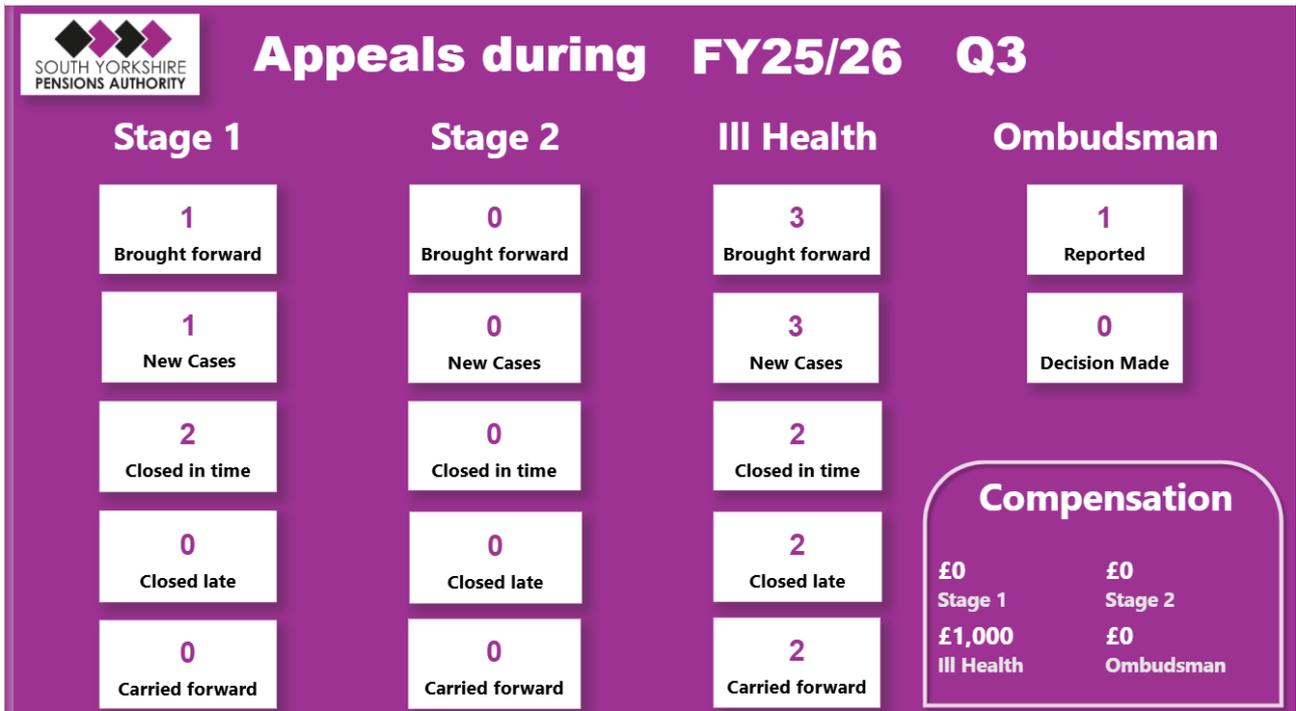
1 stage 1 Not accepted as IDRP
0 Stage 2 None received in quarter

Stage	B/F	Received	Rejected	Upheld	Not Upheld	On-going
1	0	1	1	0	0	0
2	0	0	0	0	0	0
Total	0	1	1	0	0	0

Ill-Health Stage 2 Appeals: 3 New Ill-Health appeals were raised in Q2. These are generally in relation to the level or non-award of ill health pension by the employer. With the amount of stage 2 decisions being returned to the Employers, training is being undertaken with employers in this area. This was also raised as an issue with the larger Employer Finance Directors at the FD Summit in January 2026.
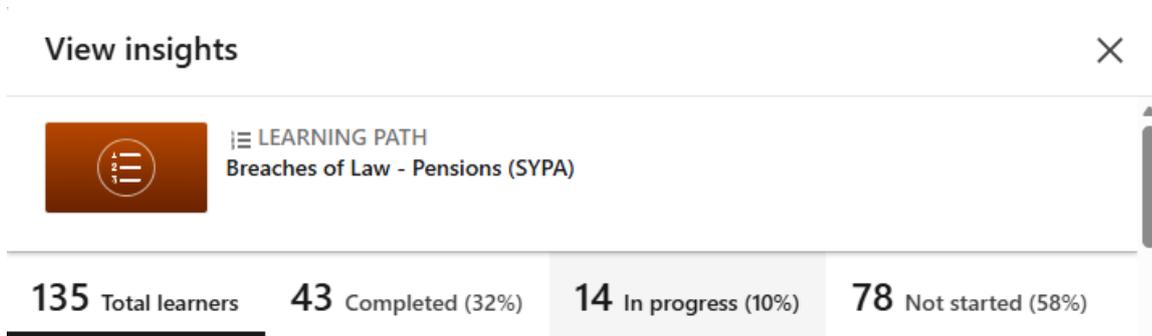
Stage	B/F	Received	Rejected	Upheld	Not Upheld	On-going
1	0	0	0	0	0	0
2	3	3	0	3	1	2
Total	3	3	0	3	1	2

1 case - £1,000 compensation awarded (payable by the Employer).

Appeals during FY25/26 Q3

	Stage 1	Stage 2	Ill Health	Ombudsman
Brought forward	1	0	3	1 (Reported)
New Cases	1	0	3	0 (Decision Made)
Closed in time	2	0	2	
Closed late	0	0	2	
Carried forward	0	0	2	

Compensation

£0 Stage 1	£0 Stage 2
£1,000 Ill Health	£0 Ombudsman

Breaches

Breaches training for all staff, which included staff reviewing the Policy, has commenced January 2026, all staff have till 31/3/2026 to complete it. Completed at 06/02/26:

View insights

LEARNING PATH
Breaches of Law - Pensions (SYPA)

135 Total learners   43 Completed (32%)   14 In progress (10%)   78 Not started (58%)

Dashboard created for reporting on breaches:

Breaches of law and regulation in FY25/26 Q3 = 4 (- 5)

Year Analysis

Quarter Comparisons

Category of Breaches - Last Quarter
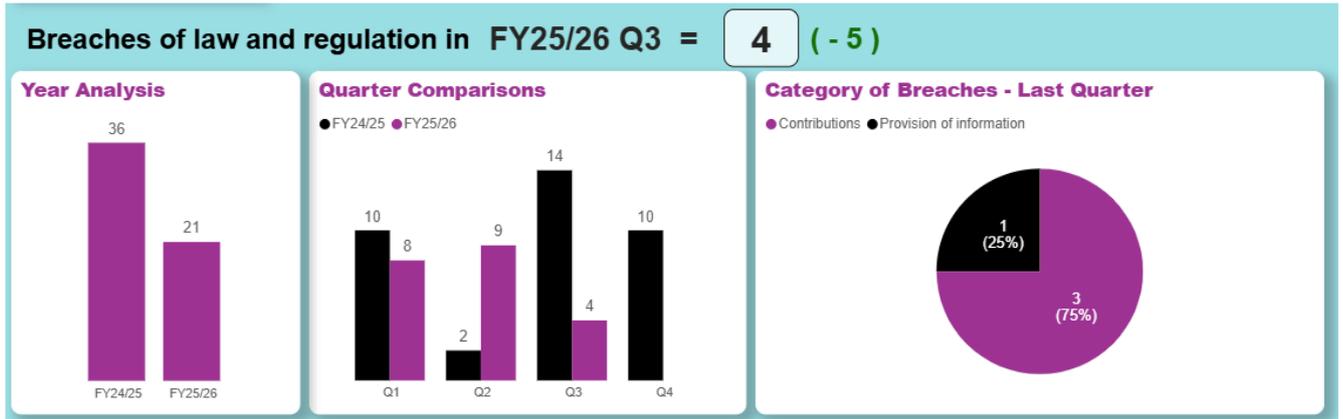
Q3- 4 Breaches recorded;

3 Breaches due to refund being paid after 5 years

1 Breach Non compliance and lack of engagement in employer contribution collection.

What is a breach?

A breach of the law is when a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with. It can encompass many aspects of the management and administration of the scheme, including failure to do anything required under overriding legislation, applicable statutory guidance or codes of practice. Examples include but are not restricted to;

• Failure to maintain accurate records.

• Failure to act on any fraudulent act or omission that is identified.

• Failure of an employer to pay over member and employer contributions on time.

• Failure to pay member benefits either accurately or in a timely manner.

• Failure to issue annual benefit statements on time or non-compliance with the Regulator's General Code of Practice.

Non-compliance with the Local Government Pension Scheme (LGPS) regulations can encompass many aspects of the management and administration of the scheme, including failure:

• To abide with the LGPS Regulations.

• To comply with the Funds policies and procedures (e.g. the Funds Statement of Investment Principles, Funding Strategy Statement, Administration Strategy or Communications Policy).

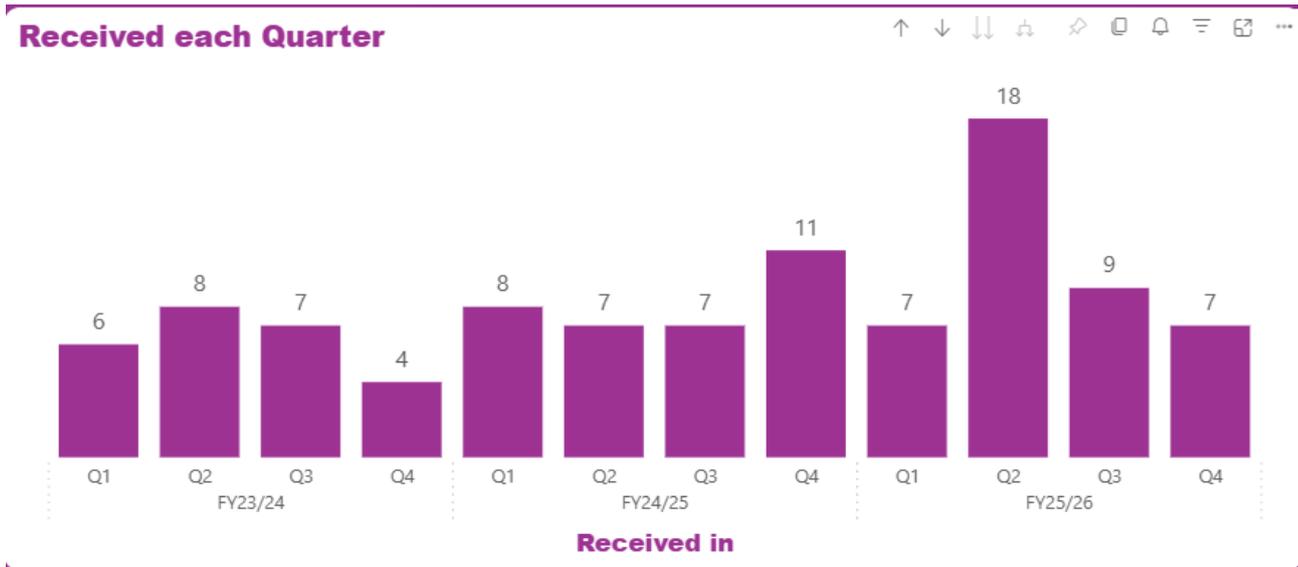Who is responsible for reporting breaches?

The following are responsibility to report breaches (known as Reporters):

• Members of the Authority.

• Members of the Local Pension Board.

• Any person who is otherwise involved in the administration of the scheme: including all officers of the Authority.

• All participating employers in the scheme.

• Professional advisers: including auditors, actuaries, legal advisers and fund managers

• Any other person otherwise involved in advising the managers of the scheme.

Reporters are required to take a pro-active approach to the identification, management and reporting of all breaches that have occurred, or are likely to occur.

Complaints

Pension Ombudsman Cases

The ombudsman has 8 ongoing cases that require resolution here is a summary:

6 x IHR ongoing

1 x incorrect ABS ongoing

1 x transfer out (this was previously raised in 2023 but aborted. New process started in December 2025)

Progress on Delivering the Administration Improvement Plan

This section of the report deals with the progress being made on addressing the historical challenges facing the administration service. Some improvements are reported on under major projects.

PA1 - Backlog

As of the 3 February there was 4% of the Backlog remaining. Down from 19% at the last report.

Backlog Reporting — As of: **Tuesday, 3 February 2026**

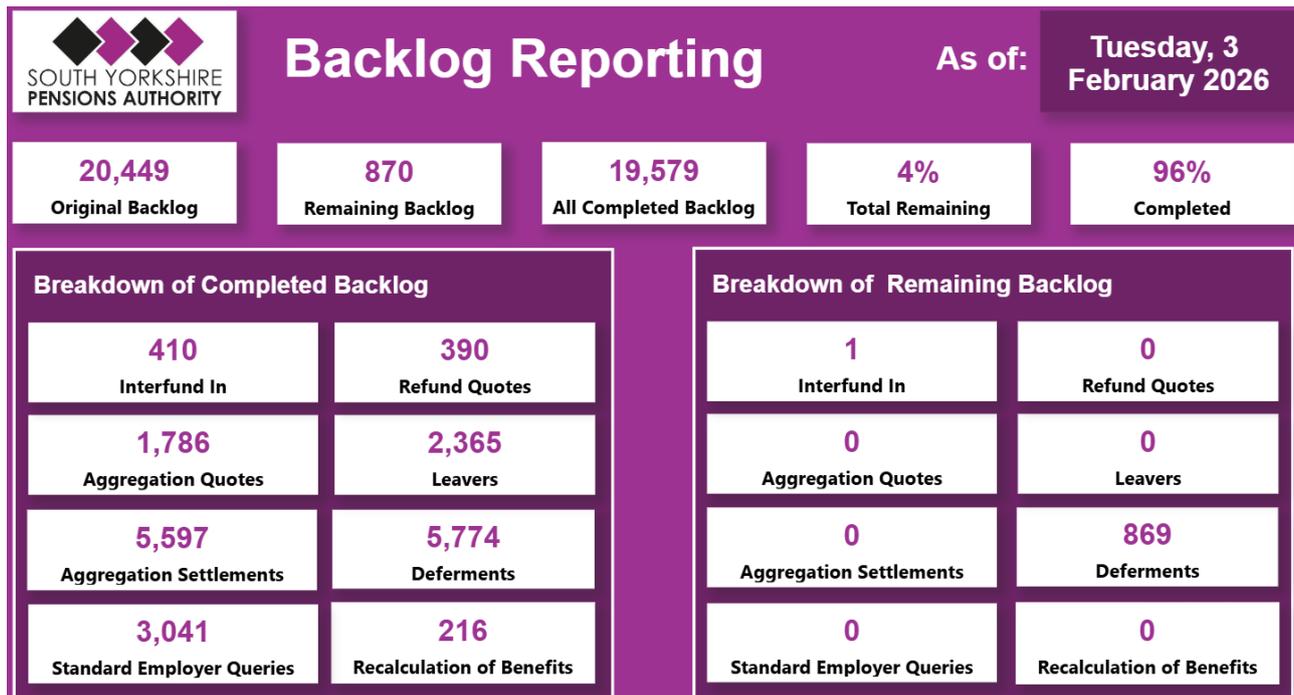| 20,449	870	19,579	4%	96%
Original Backlog	Remaining Backlog	All Completed Backlog	Total Remaining	Completed

Breakdown of Completed Backlog

410 — Interfund In	390 — Refund Quotes
1,786 — Aggregation Quotes	2,365 — Leavers
5,597 — Aggregation Settlements	5,774 — Deferments
3,041 — Standard Employer Queries	216 — Recalculation of Benefits

Breakdown of Remaining Backlog

1 — Interfund In	0 — Refund Quotes
0 — Aggregation Quotes	0 — Leavers
0 — Aggregation Settlements	869 — Deferments
0 — Standard Employer Queries	0 — Recalculation of Benefits

Back log cases remaining are getting more complex as we start to look at just the remaining old Deferments. This is being focused on to try and clear by the end of February with help from BAU work in benefits team and some remaining overtime. This has increased the likely hood of this backlog being cleared by 31 March 2026.

PA4 - Improve Data quality.

The Pension Regulator (TPR)

The General Code requires that we assess our data at least annually. This includes a data score of our Common and Scheme Specific data. This score was submitted to TPR in November 2025 as part of the Annual Return.

The data scores submitted for 2025 were 97% for Common Data and 98% Scheme specific. This was an improvement (in Scheme Specific) from 2024 where the scores were 97% and 95%.

Biggest data improvement affecting this score was the volume of GMP errors cleared which was around 3000+. Maintaining this score forms part of the data improvement plan.

Data Trend Dashboard

As part of our improvements to Authority data improvement monitoring and tracking the team are undertaking work with the performance management team to capture management information on a Dashboard. A Proof-of-Concept document has been agreed and the Dashboard being created that should provide Data Trends and track improvement of known errors identified by the in-house DART tool. Phase 1 is scheduled to be ready in April 2026.

Data Quality Improvement Plan

The data quality strategy was developed and published. We have developed a data improvement plan for separate activities, including end of year data cleansing, queries arising from the valuation and Pensions Dashboards projects. We use our inhouse data reporting tool to help us to monitor the presence, quality and format of data and this helps us to determine further steps needed as part of specific data improvement activities.

PA5 - Making Best Use of Technology

The steering group is meeting quarterly to ensure all teams are aware of Pension Administration system developments (via software releases), improvements and testing. Release dates and guides are shared across the teams so all teams are aware of when developments are being introduced that may affect their day-to-day work.

A working group is now testing the Automation capability within the software at present. It is hoped to go live with phase 1 April 2026. Excellent collaboration is taking place and staff are 'excited' to see how this module can contribute to improvements in processing work within time and reducing resources required for certain processing tasks which should free up that resource to work on other areas of change being introduced by Government.

Employer Hub has been improved, and we are now utilising the most up to date capabilities in this area.

There are still concerns about the capacity within Civica, the administration software provider, to deliver developments required. Please see the update on the McCloud project for further detail. The software provider continues to be challenged on their development pace.

Major Projects

This section of the report deals with the progress being made on the various major projects with the service is undertaking in particular*:*

PA3 - McCloud

After several delays, the latest release of McCloud functionality is currently being tested by the Authority. It went into the test environment on 4/2/2026.

McCloud Rectification Plan is attached at **Appendix B**. This plan is being monitored and updated as we work through the testing.

The remaining software update is due in June 2026 which will capture the remaining rectification work. This will need to be tested, training planned and delivered and released in LIVE environment for the deadline of 31/8/2026. There is a risk therefore that not all rectification cases are undertaken by the extended deadline.

Dashboards

Integrated Service Provider – Connected to the Dashboard

Civica have connected the Authority to the Money Helper Dashboard. We have received confirmation of the Pensions Regulator (TPR).

The deadline for all LGPS Funds to connect to the national dashboards service was 31 October 2025 (however, dashboards will not be made available to the public until a much later date).

In September TPR discussed the Authority's Dashboard readiness with Authority Officers. There is a follow up call due on 13 March 2026.

Actions completed (completed since last report) and still outstanding are;

Governance	• Dashboards a standing item on Board Agenda	√
	• Board adequately trained on Dashboards requirements	√
	• DPIA updated to take account of matching criteria	√
Policy	• Matching criteria agreed	√
	• Data Improvement in place	√
	• Backlog clearance plan in place for unprocessed benefits	√
Connection	• ISP selected and formally appointed	√
	• Connection timeline agreed with ISP	√
	• AVC – all decision agreed with providers	√
Record-Keeping Decisions	• ISP selection process and rationale documented, and parties communicated with	√
	• The main scheme and AVC matching criteria Policies in place	√
	• All data cleansed	√
Communications	• Early communication to members to raise awareness of Dashboards	√
	• Update communication strategy to reflect Dashboards	√

	• All relevant stakeholders aware of their responsibilities	√	
Data	• <mark>Assessment of quality and digital accessibility of the data undertaken</mark>		
	• Regular data cleansing scheduled; prioritising data most likely to be used for matching criteria	√	
	• Main scheme view data requirements that must be returned understood together with timescales	√	

Pensions Dashboard (MaPS) — 01 October 2024 to 31 October 2026

Project Highlights

Completed Tasks	Completed Milestones	Incomplete Tasks	Incomplete Milestones	Progress	Days to Target	Last task completed on
0 72 102	0 7 11	30	4	64%	197	28 January 2026

Project Goal: Pensions Dashboard Live

Project Status: At risk but achievable

Project Milestones	Due Date	Completed Date
Complete Post Installation Setup	05 December 2025	28 January 2026
ISP Connection to PDP	09 December 2025	16 December 2025
DPIA Signed off	31 December 2025	25 November 2025
ISP Connection ready	28 November 2025	21 November 2025
Agree and Sign Off Matching Criteria Policy	04 September 2025	27 August 2025
Decision on ISP for Dashboard	31 December 2024	27 November 2024
Project Kick-off and PiD Sign-off	31 December 2024	17 October 2024

Key Updates

• PDP have resumed testing after it paused in December and are looking for test participants – 3 members of SYPA Pensions Dashboard working group have put their names forward.
• Civica will start to run daily extracts and produce error list categorised from critical to low.
• Patch 3 due in UPM by end of January.
• Draft Memorandum of Understanding to Prudential
• Legal Document to SW to confirm we're happy with their amends and happy to sign

Cyclical Activity

This section focuses on progress with significant cyclical projects including:

PA2 - Valuation 2025

Project is running to timetable. The Authority approved the Valuation Report, Pensions Administration Strategy and Funding Strategy Statement. All to be published on 01/04/2026.
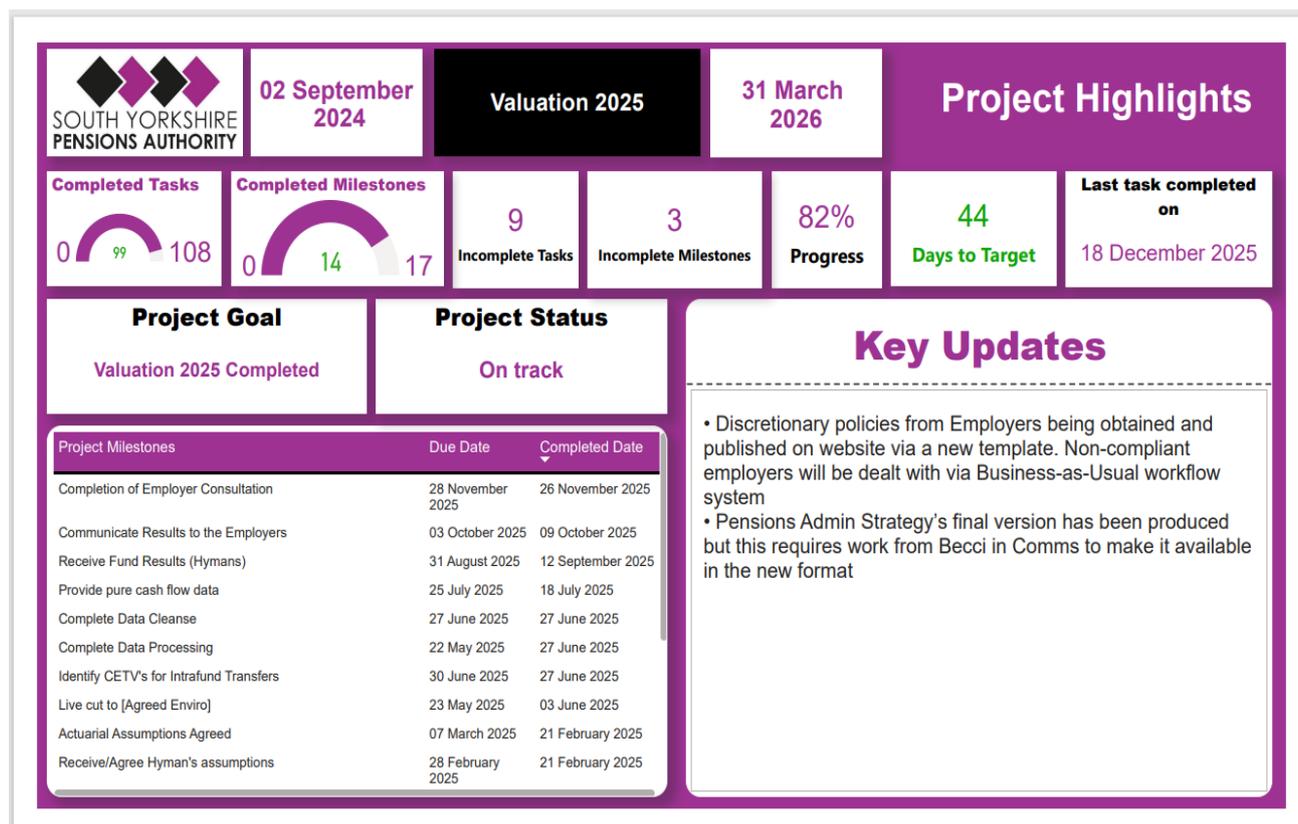
Annual Benefit Statements

100% of Annual Benefit Statements for Active Members and Deferred Members were produced by the Statutory deadline of 31/08/2025. 21% did not include the McCloud information. This was covered by the determination by the Authority to extend the McCloud deadline to 31/08/2026. However as no underpin information could be included in ABS or any rectification undertaken rather than just some the Authority did report itself to the Pension Regulator.

Member	Number issued	McCloud Protections	%
Active	49,030	15,407	31%
Deferred	53,767	5,833	11%
Total	**102,797**	**21,240**	**21%**

Pension Saving Statement, Annual Allowance, 2025

Cases needing investigation	**82**
Pension Saving statements issued	**18**

82 Annual Allowance processes were undertaken off the back of the ABS run. These members needed to have investigation undertaken on their records. In some cases, there were data issues which resulted in them looking like they had exceeded the Annual Allowance when they hadn't. These records were corrected.

18 Pension Saving Statements were issued all on time for the statuary deadline of 6/10/2025.The remaining members upon investigation their growth was under the £60K annual limit.

The HMRC statutory reporting was submitted before the 31 January deadline.

Cases that are generated by an Aggregation taking place (records needing to be combined) are being dealt with in a timely manner overseen by the projects team in the benefits team.

The Authority did highlight around 3 years ago that there was a Backlog of Annual Allowance cases. The backlog has been cleared, a thorough process put in place and the project is now an annual Business as Usual project run under a controlled Project methodology.

This process has undergone a recent Audit and a substantial rating was given with no implications found. This is a great achievement by the current team.

Employer Activity

Fund Employers

Employers as at 30 September 2025	570
Admissions: Schedule Body Contractor (TAB)	2 1
Cessations: Schedule Body Contractor (TAB)	0 5
Employers as at 31 December 2025	**568**

Timeliness of Employer data submissions

Month	% of Monthly data submissions by deadline date
October	99%
November	99%
December	97%
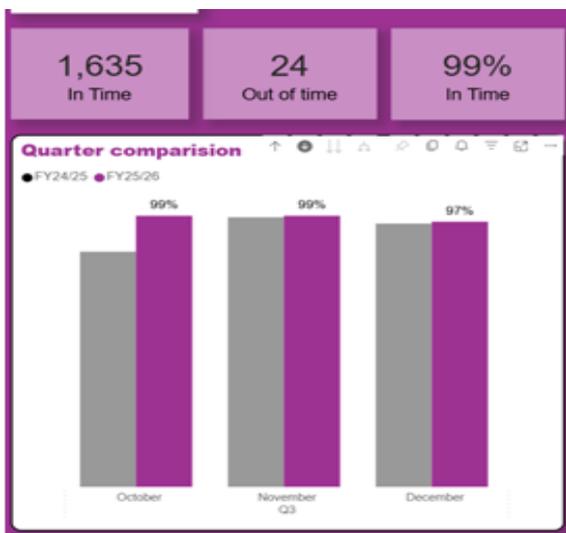
Good consistency of submissions in October and November, in December the file had an earlier submission date that some academies struggled to upload their data on time. The Employers kept the Fund informed of their issues though.

Employer performance - in dealing with queries

The McCloud automatic employer queries, for members continuing to work beyond age 65, have been included in the query figures now generated. There was a backlog of these queries, which has meant that the queries look higher than the two previous quarters. This should settle back down once completed.

Fiscal Year, Fiscal Quarter	Opening	Received	Completed Backlog	Completed Current	Total Complete	Closing
FY25/26, Q1	818	1,389	738	1,139	1,877	330
FY25/26, Q2	331	1,164	265	922	1,187	308
FY25/26, Q3	308	1,351	207	928	1,135	524
FY25/26, Q4	524	540	236	279	515	549

The queries still remain low for each employer when considering the size and membership.

FY & Q	FY25/26 Q1			FY25/26 Q2				FY25/26 Q3			
Employer	Raised	Completed	Closing	Opening	Raised	Completed	Closing	Opening	Raised	Completed	Closing
Capita	82	151	21	21	70	41	50	50	91	74	67
[00600] Sheffield City Council	197	219	29	29	97	109	17	17	156	137	36
	6	4	3	4	20	5	19	19	12	5	26
[00295] The Chief Constable	49	58	10	10	55	47	18	18	56	56	18
[00500] Rotherham MBC	114	118	25	25	111	123	13	13	108	98	23
[00766] Abbeyfield Primary Academy	7	28	2	2	7	5	4	4	7	1	10
[00400] City of Doncaster Council (CDC)	106	121	11	11	83	85	9	9	99	99	9
[00737] Forge Valley School	6	14	2	2	3	5	0		8	2	6
EPM	12	54	12	12	32	32	12	12	11	10	13
[00222] The Sheffield College	28	35	3	3	25	25	3	3	22	15	10
[00372] Greenacre School	7	8	2	2	5	6	1	1	7	3	5
[00717] Lift Firth Park	10	4	12	12	2	11	3	3	4	2	5
[00300] Barnsley MBC	86	88	1	1	78	79	0		93	91	2

Current Improvements
- A new Business Support Officer is bringing together the Administration side of the team and is producing reports to monitor not only employers but the work being undertaken with employers and recognising non-compliance.
- Recognising employers who are in difficulty and adding them to monthly catch-up meetings for support.
- Employer Focus Group continues to prove useful with the February session recently taking place both in person and online.
- Compulsory Discretionary Policies are now loaded on the employer pages of the website. Employers with no policies are being actively chased.
- Employer Hub (Phase 2) is now complete with a wide range of facilities for the employers to use including reports, improved employer quote facility and upload a document.

- Data quality improvement reports have been created to help improve validation of the incoming data and are still in their infancy but are already being seem to improve data accuracy.
- Investing in staff, providing training to a senior member to build on knowledge and help create guides, training and website improvements.
- Valuation results provided to all Employers.

Improvement Plan

- Improve the EPICi system – increase Employer workflows.
- Create a Bulk Redundancy request template for Employers which will automatically create figures for all members over age 55, using the MDC information on UPM.
- Preparations to update the Employer page of the SYPA website are underway.
- Looking at the possibility of Employer League Tables.
- Improved guide for Accountancy Disclosures.

Training / Presentations delivered

- 10 Training Sessions
- 1 Employer Forum
- 3 Employee Sessions
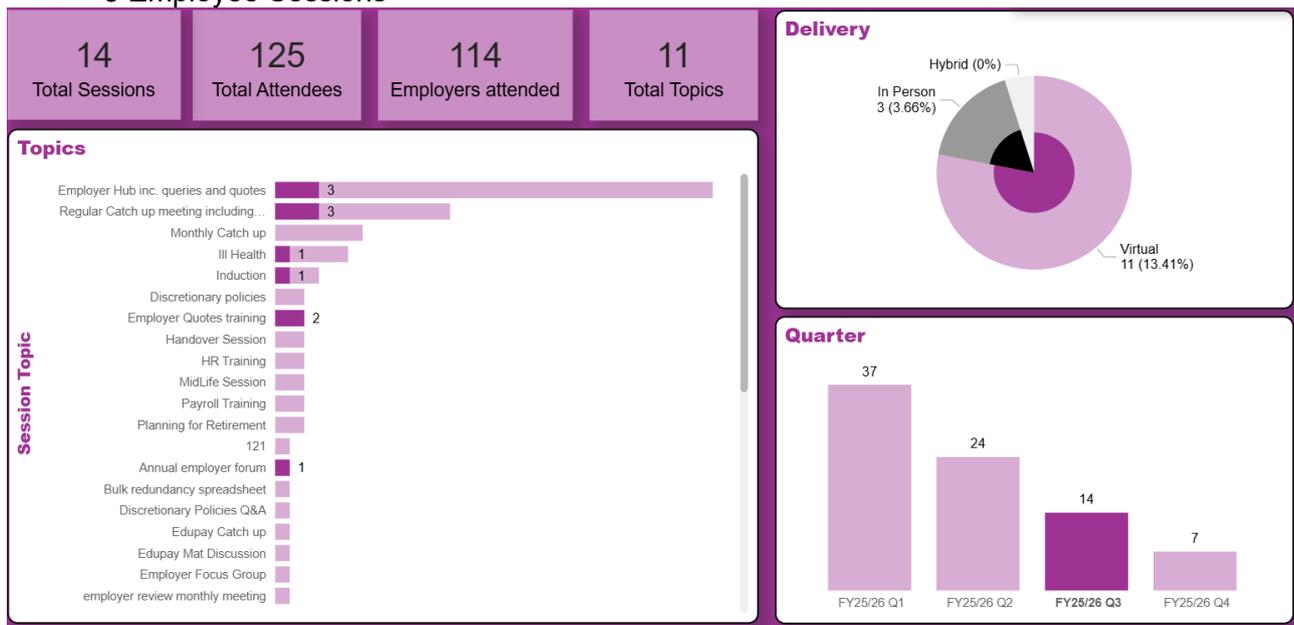
Policy Developments

This section of the report summarises recent policy developments and areas of interest.

Scheme Improvements - Access and fairness consultation

MHCLG has published its response to the LGPS in England and Wales: Access and Fairness consultation. the original consultation was covered in Q1 report – August 2025.

Survivor Benefits - Given the strong support for the proposal, the government will proceed with the amendment of the survivor benefit rules of the LGPS and there will be no modifications to the policy intent. The government will work with the Scheme Advisory Board to produce guidance addressing a number of areas.

Death grants (age 75 cap) - the government will proceed with the removal of the age 75 cut-off on death grant eligibility. To keep the LGPS in England and Wales consistent with the LGPS in Northern Ireland, the change will be backdated to all deaths on or since 1 April 2014.

Death Grants (personal representatives) - the policy will be implemented as outlined in the consultation.

Gender Pension Gap - the government intends to proceed to make authorised unpaid leave automatically pensionable but will change the threshold to 14 days. The cost of buying back unpaid leave over 14 days will be aligned with standard member contribution rates

Pension Contributions during child related leave - the government intends to proceed with the amendment and it will, in the same way as the proposals on child-related leave and authorised absences less than 15 days parental leave, come into effect where the relevant leave starts on or after 1st April 2026. The government intends to develop guidance alongside the LGA on matters of implementation

Making gender pensions gap reporting mandatory in the LGPS - The government will proceed with the proposal to use the actual lost pay method to calculate contributions. Only gender pension gap reporting will be required for 2025, not gender pension saving gap reporting, and the definition will be pension accrued to date instead of "over a typical working life". Reporting at the employer level will not be required for 2025, and actuarial valuation reports will only need to split its gender pension gap reporting between employer category groups, as already defined by SF3 reporting. Gender pension gap reporting will not be mandatory within the rates and adjustment certificate but can be its own section within the actuarial valuation report.

Confirmation has been received from the Fund's Actuary that they are working on adding this and the updated report will be available by 31.03.2026.

Publication of opt-out data in the Annual Report - The government recognises the need to clarify what data is expected, and an updated version of annual report guidance will be published. The collection of opt-out data is intended to gather evidence about the rate of opting out by people who are eligible to join the LGPS and choose to opt out, and the guidance will set out that those on contracts under 3 months, and those over the age of 75, should not be included, nor should employees who are eligible for another public service pension scheme. The government will create an online form for members to fill in when opting out, MHCLG will be the data controller. No data needs to be held by the administering authority or employer, and so there are no additional data retention requirements, just additional workload to signpost members to the form.

Forfeiture - the government intends to proceed with the amendment. The government believes that other existing requirements, such as the Secretary of State certifying that the offence was gravely injurious to the state or liable to lead to a serious loss of confidence in public service, act as a safeguard against employer over-reach.

McCloud remedy – All tidy up proposals to be implemented.

Administrative Impact of proposals - The government recognises the concerns about administrative impact and will proceed with a phased implementation. There will be two phases, with

the first round of changes required for the start of the 26-27 year, and the second phase later in 2026.

The government will prioritise areas where it believes there is existing discrimination. The government view is that these proposals are overdue and corrections must be made as quickly as possible to deliver equal access. The first phase will prioritise those proposals, in addition to those where it is perceived that there would be a benefit to the Scheme in earlier implementation:

• survivor benefits and death grants
• gender pension gap (unpaid absences)
• gender pension gap reporting (reduced version for 2025)
• McCloud remedy
• lifetime Allowance
• including Combined County Authorities as Scheme Employers

The government intends to implement all other proposals in a second phase later in 2026:

• gender pension gap reporting (fuller version ahead of 2028)
• opt-out reporting
• forfeiture
• all other regulation changes

Where appropriate, guidance will be developed in collaboration with stakeholders such as the Scheme Advisory Board.

2026/27 employee contribution bands

Table 1 sets out the employee contribution bands effective from 1 April 2026. These are calculated by increasing the 2025/26 employee contribution bands by the September 2025 CPI figure of 3.8 per cent and then rounding down the result to the nearest £100.

Table 1: Employee contribution bands England and Wales 2026/27

Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £18,400	5.50%	2.75%
2	£18,401 to £29,000	5.80%	2.90%
3	£29,001 to £47,300	6.50%	3.25%
4	£47,301 to £59,800	6.80%	3.40%
5	£59,801 to £84,000	8.50%	4.25%
6	£84,001 to £119,100	9.90%	4.95%
7	£119,101 to £140,400	10.50%	5.25%
8	£140,401 to £210,700	11.40%	5.70%
9	£210,701 or more	12.50%	6.25%

Appendix A – Pension Acronyms

Pension Acronyms	
Acronym	Meaning
APCs	Additional Pension Contributions
AVC	Additional Voluntary Contribution
CARE	Career Average Revalued Earnings
CIPFA	Chartered Institute of Public Finance and Accountancy
CPI	Consumer Prices Index
FE	Further Education
FSS	Funding Strategy Statement
FY	Financial Year
GAD	Government Actuary Department
GMP	Guaranteed Minimum Pension
HMT	His Majesty's Treasury
IDRP	Internal Dispute Resolution Procedure
IFA	Independent Financial Advisor
IRMP	Independent Resgistered Medical Practiotioner
ISP	Integrated Service Provider - to support connection to Pens
LGPS	Local Government Pension Scheme
MaPs	Money and Pension Service
McCloud Remedy	Service since 01.04.2014 - 31.03.2022 must be recalculate present Scheme.
MDC	Monthly Data Collection
MHCLG	Ministry of Housing, Communities and Local Government
mypension	The member online portal where they can see their own pe
PI	Pensions Increase
PDP	Pensions Dashboard Programme
RPI	Retail Price Index
SAB	Scheme Advisory Board
SEQ	Standard Employer Query
SLA	Service Level Agreements
TPO	The Pension Ombudsman
TPR	The Pension Regulator
Triennial Valuation	Every 3 years the Pension Fund undergoes a valuation
UPM	Universal Pension Management system

Appendix B: McCloud Implementation Plan

1. **Purpose of the Plan** To provide a structured approach to completing McCloud remedy cases, including priorities, key stages, timelines, and oversight.

2. Priority Groups

The McCloud implementation statutory guidance set out the Governments' view on what order McCloud cases should be approached. They can be summarised into 3 main groups:

Group 1: Retirements, transfers, deaths and trivial commutations that occur after 30 September 2023, uplifts from tier 3 to tier 2 (England and Wales only) after 30 September 2023.

Group 2: Retrospective cases in the following order: a) A member or survivor pension in payment. b) There is no ongoing liability eg a survivor pension is no longer payable, membership has been transferred out, a trivial commutation was paid before 1 October 2023, or a death grant was paid in relation to a death that occurred before 1 October 2023 and no survivor pension is payable. c) Cases where there has been an underpin date, but no final underpin date – deferred members and active members over their 2008 Scheme (2009 Scheme in Scotland) Normal Pension Age.

Group 3: all other cases – active members

The table below summarises the McCloud case types and provides an update on where we are with Business-as-usual processing and the rectification work which is planned.

	Group	Case type	Priority	BAU compliant	Rectification numbers (picking up all cases prior to 30/9/2023)	Expected start date	Expected end date	Status
1	1 - Must be done Post 1/10/2023	Retirements from 30/9/2023	Highest	Yes wef May 2024	800	Apr-25	Aug-26	testing in progress
2	1 - Must be done Post 1/10/2023	Deaths from 30/9/2023	Highest	Yes wef 19/11/2025	Unknown **	June 2025 next UPM release	Aug-26	Blocked
3	1 - Must be done Post 1/10/2023	Transfers from 30/9/2023	Highest	Yes • Manual Workaround introduced for Non Club transfer outs 17/05/2024 • Manual Workaround put in place for club transfer outs 10/02/2025 • Manual Workaround for Club Transfer In's June 2025'	Unknown **	June 2025 next UPM release	Aug-26	Blocked
4	1 - Must be done Post 1/10/2023	Trivial Commutation from 30/9/2023	Highest	Yes wef May 2024	Unknown **	June 2025 next UPM release	Aug-26	Blocked
5	1 - Must be done Post 1/10/2023	Uplifts tier 3 to Tier 2 from 30/9/2023	Highest	Testing in progress	less than 10		Aug-26	Testing in progress
6	1 - Must be done Post 1/10/2023	Active to deferred after 30/9/2023	Highest	Yes wef May 2024	800	Jan-26	Mar-26	testing in progress
7	2 - Should be done by 31/8/2025 or 2026 with flexibility	No ongoing liability (transfer out/Trivial commutations/death grants)	Medium	Yes various dates (TV workarounds since 10/2/2025. Trivial Comms December 2025 and DG 19/11/2025)	Unknown **	June 2025 next UPM release	Aug-26	Blocked
8	2 - Should be done by 31/8/2025 or 2026 with flexibility	Underpin Date reached (65) but no Final Underpin Date	Medium	Yes		Jun-25	Nov-25	Complete
9	3 - expected for 2025 ABS - can use discretion	All other active members	Medium	Yes wef 19/11/2025	Active membership 51,004 Deferred 63,291	Jan-26	Apr-26	Testing in progress

3. Case Breakdown by Category

The latest version of UPM that is currently installed will allow us to proceed with 3/6 of the highest priority, group1 cases which are Pensions in payment Rectifications, Uplifts from Tier 3 to Tier 2 and rectification of Deferred members. We are also testing the functionality of the ABS work which is group 3.

- Rectification of pensions in payment numbers (800 made up of 404 cases produced by software needing rectification, 400 needing investigation due to data issues)
- Uplifts from Tier 3 to Tier 2 numbers (<10)
- Rectification of Deferred members numbers (800 made up of 300 deferred rectifications generated by software and 500 cases to investigate)

4. Suggested Planned Activity Timeline

October 2025 to March 2026 testing of rectification. This includes the creation of letters, Guidance for staff, testing of cases, timing of cases, testing payroll and training preparation.

Proposed date of March 2026 Updating Deferred records in LIVE to include the rectification, automated updates

April/May 2026 Running the retirement rectification cases in LIVE environment to be completed before running Pension increase. Part of the process requires manual input.

5. Risks

Risk	Impact
Pension Increase- Processing rectification before Pension Increase (PI) is run. The follow-on PI process hasn't been run/tested so there is a risk that Pension increase may fail on the members who have had a rectification undertaken	Pension increase not applied for members who have had rectification manual work around may be needed
Annual Benefit Statements- Unknown impact on rectification on ABS production	Decision on when to rectify benefits before or after Pension Increase
Resource – Rectification deadline 31/8/2026. Due to software failures we haven't been able to identify all cases to be rectified (see items 2, 3,4 &7 in table above) Internal resources needed to identify these member prior to June release.	Difficult to plan and think ahead will items 2,3,4 & 7 cause greater manual work and number of cases.

6. Known data issues

Date	Issue	Raised with CIVICA	Resolved
December 2025	Discrepancy with arrears calculation of pension payments	System team to raise ticket	No (we have a potential manual work around arrears spreadsheet supplied by another fund)
December 2025	Excluded Aggregations-Code from software supply excludes cases with aggregation elements loaded.	System team to raise ticket	
December 2025	Members who have original underpin applied should be investigated, not all member appearing on rectification from software supply code.	System team to raise ticket	
December 2025	Members who retired with a previous final pensionable pay (bol3, E24, Ben10) don't appear to be calculated correctly	System team to raise ticket	

7. Resource Requirements Retirement rectifications

The details below cannot be supplied at this time due to the testing being placed on hold for the whole of January and early February.

To process a retirement rectification takes on average X minutes. The retirement rectification would take x people x days to complete.

To process a deferred rectification takes on average X minutes. The deferment rectification would take X people X days to complete.

8 Conclusion

The rectification program supplied by software provider automated the deferred members, which is more than we expected.

Lots of our time and resources have been and continue to be spent on testing and preparation work.

The conclusion date for the rectification is 31/8/2026. We have another release of the software due in June 2026. We have Pension Increase and the production of the ABS work. We will reassess the plan in April at the midway mark.

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SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Update and Overview of Investment Strategy Review Process	Status	For Publication
Report to	Local Pension Board	Date	26 February 2026
Report of	Assistant Director – Investment Strategy		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Andrew Stone	Phone	01226 666 463
E Mail	astone@sypa.org.uk		

1   **Purpose of the Report**

To update the Local Pension Board regarding the approach taken with SYPA's triennial investment strategy review – and progress to date.

_____

2   **Recommendations**

2.1   Board Members are recommended to:
       a. **Note the update provided; and**
       b. **Consider if any further information or explanation is required from officers**.
_____

3   **Link to Corporate Objectives**

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

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.

4   **Implications for the Corporate Risk Register**

4.1 The actions outlined in this report have implications for the following items in the Corporate Risk Register. Essentially the outcomes of our investment strategy review should help to mitigate these risks to the extent possible.

a. *IAF – 001 Material changes to the value of investment assets and/or liabilities:*

South Yorkshire Pension Fund is a scheme which remains open to new entrants and new accrual of benefits, meaning that our investment focus is more on the continuing growth of assets, rather than matching changes in the value of our liabilities. Over the longer-term however, we hope to set a strategy whereby the growth of the Fund's assets is greater than that of its liabilities.

b. *IAF – 002 Failure to mitigate the impact of climate change:*

Climate change is considered the most significant risk in our corporate risk register. We recognise that it is not possible to completely mitigate its impact, but we seek to address this by setting a net zero objective for our assets, engaging with company management for positive change through Border to Coast, and pursuing climate positive investment opportunities such as natural capital, renewable energy and climate opportunities.

c. *IAF - 004 Imbalance in cashflows:*

Although our funding level is very positive, one implication of this is that our employer contributions will be reducing, so we need to ensure that we are able to raise sufficient income from our assets to bridge this gap.

d. *IAF - 005 Employer contributions become unaffordable:*

By setting an investment strategy which has a high probability of retaining an elevated funding level over the long-term, employer contributions should remain affordable.

5 **Background and Options**

5.1 The Authority carries out a full investment strategy review every three years, following on from the completion of the actuarial valuation.

5.2 This report to the Board provides an overview of the process followed and consultation undertaken to date. Board members are asked to consider and comment on the approach from their perspective of providing scrutiny of the process ahead of the final stage of the strategy review being presented for approval to the Authority's March meeting. An early step in the process incorporated a review and update of the Authority's investment beliefs, which effectively sets a framework for our strategy. Approval for the updated beliefs was obtained at the December 2025 Authority meeting.

5.3 Following a procurement exercise (utilising the relevant LGPS framework) Hymans Robertson was appointed as the investment consultancy firm to assist with the investment strategy review.

5.4 The SYPA team worked closely with Hymans Robertson to help them understand the key objectives of this exercise and to propose a range of potential asset allocations to be modelled.

5.5 The key aim of the exercise was to review the effectiveness of the current funding and investment strategy to meet the Fund's objectives and test potential alternative

strategies that may enhance the likelihood of achieving long-term investment outcomes.

5.6 The Fund's position was reviewed using three key lenses:
   a. Risk and return profile, and impact of success and risk metrics.
   b. Cashflow and liquidity.
   c. Climate and net zero alignment.

5.7 As the investment strategy review project has developed, we have sought to incorporate stakeholders' views into the process. In addition to involving members of the Local Pensions Board in briefings alongside the Authority members, we have also:
   a. Provided an update on the review to the largest participating employers in the Fund at our annual Financial Directors' summit. We also sought the attendees' views on local investment.
   b. Undertaken a focused Fund member sample survey to hear the respondents' views on both local and responsible investment.

5.8 Further, as the incoming pensions bill amendments will require us to obtain principal investment advice from our pool in future, we have included Border to Coast in a listening and learning role throughout the investment strategy review

5.9 Additionally, a requirement of the draft LGPS regulations is that local investment should be explicitly covered within our Investment Strategy Statement going forwards. Attached at Appendix A is a copy of a discussion paper recently presented to Authority and Local Pension Board members to set out these requirements and take input on our future direction.

5.10 SYPA's independent investment advisers have also been engaged throughout this project, providing their experience and insight to the process.

5.11 To assist Members of the Authority and Local Pension Board through this process and the related proposals, investment strategy briefing meetings have already been held on 18 December 2025 and 12 February 2026.

5.12 A final investment strategy proposal will be taken to the 12 March 2026 Authority meeting.

6 Implications

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

Financial	The implementation of our investment strategy and performance of our assets will have implications for the Fund's outcomes, which may impact future funding strategies.
Human Resources	None
ICT	None
Legal	None
Procurement	None

Andrew Stone

Assistant Director – Investment Strategy

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SOUTH YORKSHIRE
PENSIONS AUTHORITY
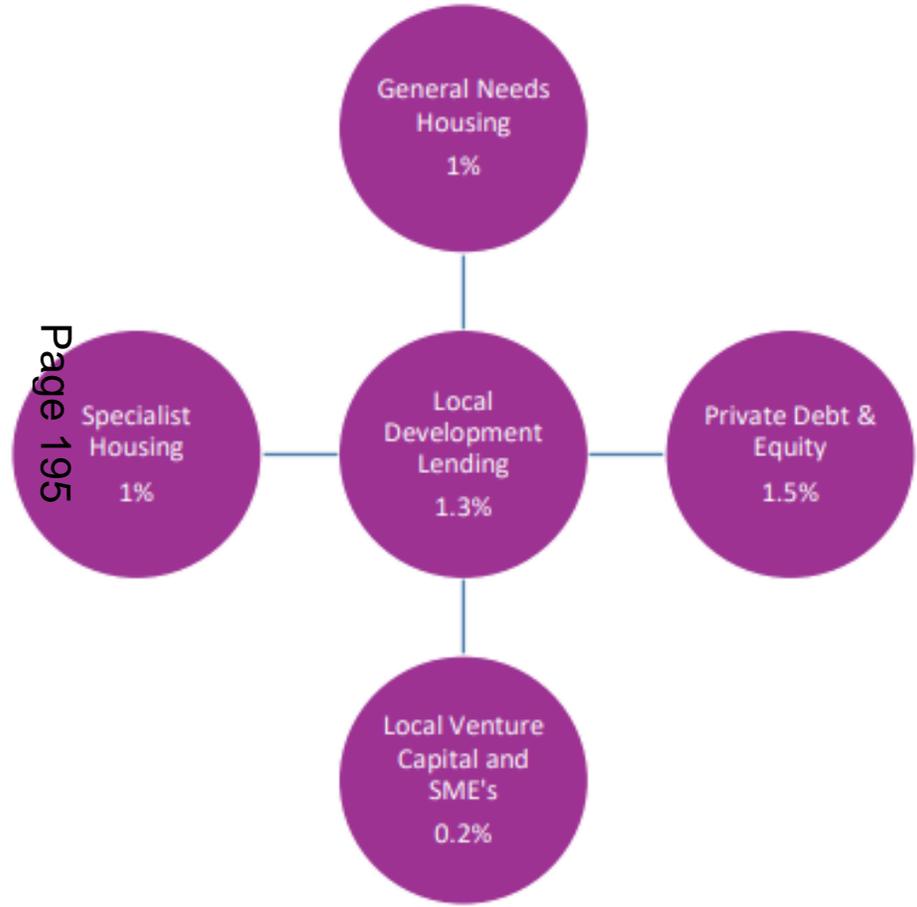
Local Investment Proposal

SYPA's Statement of Investment Beliefs

- SYPA is a **global, long-term** investor

- And looks to maintain a **diversified** portfolio of assets

- Managed by Border to Coast in a **responsible** way

- Aiming to achieve superior **net of fees risk adjusted returns.**

- Which meet SYPA's **funding objectives**

- With sufficient **liquidity** to meet benefits payments as they fall due

- There is a place for both **active and passive** management

- There may be risk-related benefits from hedging some of our **currency** exposure

- SYPA is committed to allocating a portion of its investment **locally**

- The overall approach to risk can be summarised as **moderate**.

Our beliefs provide a framework for setting investment strategy

General Needs Housing 1%

Specialist Housing 1%

Local Development Lending 1.3%

Private Debt & Equity 1.5%

Local Venture Capital and SME's 0.2%
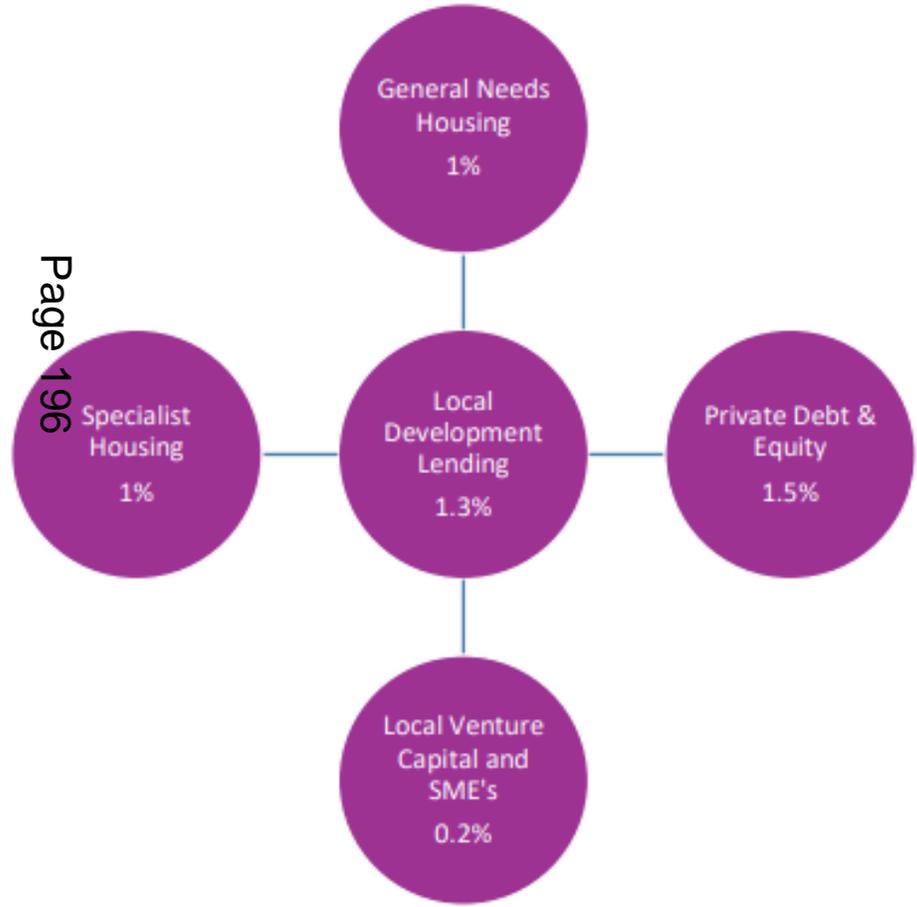
Existing Policy

- Implemented in March 2023

- Aspiration for 5% of SYPA assets to be placed-based impact investments

- All such assets were to:

  - Be within the scope of SYPA's strategy and asset allocation

  - Provide the required returns plus a positive place-based impact

- Focus areas as set out to the left

- Intention was that the "spine" would be wholly South Yorkshire invested

- With the two "satellite" investments also having some tilt to the region…

- … and their proceeds would potentially by reinvested into SY over time

- All such investments would be delegated to 3rd party managers

Voluntary 'Memorandum of Understanding' with SYMCA covers the items in the spine, plus potential support for businesses making the net zero transition

Progress against the existing policy

Existing Policy

- General Needs Housing (SY) – plans in place to reach required level

- Local Development Lending (SY) – close to target allocation

- Local Venture Capital & SMEs (SY) – mandates awarded, early progress being made

- Specialist Housing (UK) – niche area, around half allocated

- Private Debt & Equity (UK) – around 1% allocated

'Fit for the Future' will, however, change the emphasis of our approach…

Requirement for SYPA to define "local"
- Local area – i.e. South Yorkshire
- Region – wider geography (Yorkshire?)
- Pool area – 18 municipals and counties

SYPA needs to set a target range for local investment (plus risk, return & beneficial impacts)
- Using the existing proposal, our target range is seemingly 2.5 - 5.0%

SYPA *may* state desired impact of local investments and asset class preferences – but not set individual targets.
- Do we wish to retain the spirit of 'the spine'?

SYPA may choose to accept a lower expected return / higher risk for local investments.
- To date we have assumed the same hurdles as for any other assets

Local investment must also take into account strategic priorities of Mayoral Strategic Authorities, including local growth plans

SOUTH YORKSHIRE PENSIONS AUTHORITY

Thank You for Listening!

Any Other Questions?

SOUTH YORKSHIRE
PENSIONS AUTHORITY

Subject	Scheduling of Local Pension Board Next Meeting Agenda	Status	For Publication
Report to	Local Pension Board	Date	26 February 2026
Report of	Head of Governance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Jo Stone Head of Governance and Corporate Services	Phone	01226 666418
E Mail	jstone@sypa.org.uk		

1   Purpose of the Report

1.1   To set out the draft agenda for the next meeting of the Board for discussion, including the work programme status for the current year. To provide the outline work programme and meeting dates for 2026/27 for approval.

2   Recommendations

2.1   Board Members are recommended to:
   a. **Discuss and comment on the draft agenda for the April 2026 meeting as set out in paragraph 5.1 of this report.**
   b. **Approve the calendar of meeting dates and outline work programme for 2026/27.**

3   Link to Corporate Objectives

3.1   This report links to the delivery of the following corporate objective:
   Effective and Transparent Governance

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

3.2   The planning of meeting agendas and work programmes supports the operation of effective and transparent governance arrangements.

4   Implications for the Corporate Risk Register

4.1   There are no direct implications for any individual risk in the risk register.

5   Background and Options

5.1   The draft agenda for the next meeting of the Board is set out below.

	Local Pension Board 23 April 2026 – Draft Agenda
1	Welcome, Introductions and Apologies
2	Announcements
3	Urgent Items
4	Items to be considered in the absence of public and press
5	Declarations of interest
6	Minutes of the meeting held on 26 February 2026
7	Review of the Action Tracker
	GOVERNANCE
8	Governance, Regulatory and Policy Update
9	Update on Decisions Made by the Authority
10	Corporate Risk Register
11	Draft Governance Compliance Statement and Draft Annual Governance Statement 2025/26
12	Update on Independent Governance Review Action Plan
13	Members Learning and Development Strategy 2026/27
14	Effectiveness Review Report of the Local Pension Board
15	Annual Report of the Local Pension Board
	PENSIONS ADMINISTRATION
16	Pensions Administration Quarterly Report
17	Review of Key Communications (ABS)
18	Updates on action plan in Communications, Consultation and Engagement
	OTHER MATTERS
19	Local Pension Board Next Meeting Agenda and Work Programme

5.2   Board members are requested to consider any changes or additions required to the above.

5.3   The work programme for the current year is attached at Appendix A – setting out the work completed to date and the remaining programme for the rest of the year.

5.4   The work programme for 2026/27 is attached at Appendix B.

6   Implications

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

Financial	No direct implications.
Human Resources	No direct implications.
ICT	No direct implications.
Legal	No direct implications.
Procurement	No direct implications.

Jo Stone

Head of Governance and Corporate Services & Monitoring Officer

Background Papers	
Document	**Place of Inspection**

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Local Pension Board Meeting Dates and Outline Work Programme 2025/26		
Date of Meeting	Time	Venue
Thursday 07 August 2025	10:00 - 12:00	Oakwell House
Thursday 06 November 2025	10:00 - 12:00	Oakwell House
Thursday 26 February 2026	10:00 - 12:00	Oakwell House
Thursday 26 March 2026: Effectiveness Review	13:00 – 14:30	Oakwell House
Thursday 23 April 2026	10:00 - 12:00	Oakwell House

August 2025 Meeting		
Governance	Review of Action Tracker	✓
	Governance, Regulatory and Policy Update	✓
	Update on Decisions Made by Authority	✓
	Corporate Risk Register	✓
	Compliance with The Pensions Regulator General Code of Practice (Bi-Annual Update)	✓
	Constitution Terms of Reference	✓
	Authority Annual Report - Draft for Local Pension Board Review	✓
Pensions Administration	Pensions Administration Quarterly Report	✓
	Review of Key Communications – Annual Benefits Statements	✓
	Valuation 2025- Progress update	✓
	Funding Strategy Statement – Draft for consultation	✓
Other	Planning of Local Pension Board Next Meeting Agenda	✓

November 2025 Meeting		
Governance	Review of Action Tracker	✓
	Governance, Regulatory and Policy Update	✓
	Update on Decisions Made by Authority	✓
	Corporate Risk Register	✓
	Independent Governance Review - Action Plan for Comment & Recommendation to Authority	✓
Resources	Local Pension Board Budget 2026/27	✓
Pensions Administration	Pensions Administration Quarterly Report	✓
	Valuation 2025	✓
Other	Local Pension Board Next Meeting Agenda and Work Programme	✓

February 2026 Meeting	
Governance	Review of Action Tracker
	Governance, Regulatory and Policy Update
	Update on Decisions Made by Authority
	Corporate Risk Register
	Compliance with The Pensions Regulator General Code of Practice (Bi-Annual Update)
Pensions Administration	Pensions Administration Quarterly Report
Other	Meeting Calendar Cycle 2026/27
	Local Pension Board Next Meeting Agenda and Work Programme

March 2026 Effectiveness Review Meeting
Internal Effectiveness Review 2025/26

April 2026 Meeting	
Governance	Review of Action Tracker
	Governance, Regulatory and Policy Update
	Update on Decisions Made by Authority
	Independent Review Action Plan
	Corporate Risk Register
	Members Learning & Development Strategy 2026/27
	Corporate Risk Register
	Draft Annual Governance Statement
	Draft Governance Compliance Statement
	Effectiveness Review Report of the Local Pension Board
	Annual Report of the Local Pension Board
Pensions Administration	Pensions Administration Quarterly Report
	Review of Key Communications - Annual Benefits Statements
	Update on Communications, Consultation and Engagement action plan
Other	Local Pension Board Next Meeting Agenda and Work Programme

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Local Pension Board Meeting Dates 2026/27		
Date of Meeting	**Time**	**Venue**
Thursday 06 August 2026	10:00 - 12:00	Oakwell House
Thursday 12 November 2026	10:00 - 12:00	Oakwell House
Thursday 25 February 2027	10:00 - 12:00	Oakwell House
Thursday 25 February 2027 Effectiveness Review	12:30 - 14:30	Oakwell House
Thursday 22 April 2027	10:00 - 12:00	Oakwell House

August 2026 Meeting
Review of Action Tracker
Governance, Regulatory and Policy Update
Progress update-Independent Governance Review
Update on Decisions Made by Authority
Local Pension Board Constitution
Corporate Risk Register
Compliance with The Pensions Regulator General Code of Practice (Bi-Annual Update)
Authority Annual Report - Draft for Local Pension Board Review
Pensions Administration Quarterly Report
Local Pension Board Next Meeting Agenda and Work Programme

November 2026 Meeting
Review of Action Tracker
Governance, Regulatory and Policy Update
Update on Decisions Made by Authority
Corporate Risk Register
Update on Procurement/Contract Management Framework
Local Pension Board Budget 2027/28
Pensions Administration Quarterly Report
Border to Coast Annual Review
Local Pension Board Next Meeting Agenda and Work Programme

February 2027 Meeting
Review of Action Tracker
Governance, Regulatory and Policy Update
Update on Decisions Made by Authority
Corporate Risk Register
Compliance with The Pensions Regulator General Code of Practice (Bi-Annual Update)
Pensions Administration Quarterly Report
Local Pension Board Next Meeting Agenda and Work Programme

February 2027 Effectiveness Review Meeting
Local Pension Board Effectiveness Review Meeting

April 2027 Meeting
Review of Action Tracker
Governance, Regulatory and Policy Update
Update on Decisions Made by Authority
Corporate Risk Register
Local Pension Board Effectiveness Review Report
Annual Report of the Local Pension Board
Draft Annual Governance Statement and Governance Compliance Statements
Members Learning & Development Strategy 2027/8
Pensions Administration Quarterly Report
Update on Communications, Consultation and Engagement Strategy Action Plan
Review of Key Communications - Annual Benefits Statements
Local Pension Board Next Meeting Agenda and Work Programme
Meeting Calendar and Work Programme 2027/28

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