

SOUTH YORKSHIRE PENSIONS AUTHORITY

10 FEBRUARY 2022

PRESENT: Councillor J Mounsey (Chair)

Councillors: F Belbin, M Havard, D Nevett, C Rosling-Josephs,
A Sangar, M Stowe and G Weatherall

Trade Unions: N Doolan-Hamer (Unison) and D Patterson (Unite)

Officers: G Graham (Director), M McCarthy, G Richards and
G Taberner (Head of Finance and Corporate Services)

Apologies for absence were received from Councillor S Clement-
Jones, Councillor S Cox, Councillor D Fisher, Councillor N Wright,
G Warwick and J Bailey

1 **APOLOGIES**

The Chair welcomed everyone to the meeting and thanked the Director for the tour of the new office which he thought was very impressive.

Apologies were noted as above.

2 **ANNOUNCEMENTS**

G Graham informed members that the recently published Levelling Up White Paper had included reference to LGPS funds investing 5% of their value locally although it was not clear what type of assets this would apply to. The consultation planned for 'over the summer' would cover this issue along with climate change reporting regulations and pooling guidance.

3 **URGENT ITEMS**

None.

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

RESOLVED – That item 12 – Border to Coast Strategic Plan and Budget 2022-25 and item 13 – Project Chip Update be considered in the absence of the public and press.

5 **DECLARATIONS OF INTEREST**

None.

6 **SECTION 41 FEEDBACK FROM DISTRICT COUNCILS**

There were no specific issues from the s41 members but they thanked the Director for his assistance in supplying replies to various emails councillors had received regarding climate change and investment issues.

7 MINUTES OF THE MEETING HELD ON 9 DECEMBER 2021

RESOLVED – That the minutes of the meeting held on 9th December 2021 be agreed as a true record.

8 CORPORATE PLANNING FRAMEWORK

A report was considered which provided the opportunity to approve the 3-yearly detailed update of the various elements of the corporate planning framework.

Members were reminded that whilst elements of the framework were updated annually the whole framework was subject to an in-depth review every three years.

Attached as appendices to the report were updated versions of the:

- Medium Term Financial Strategy
- Human Resources Strategy
- ICT Strategy
- Equality and Diversity Scheme
- Risk Register

It was noted that the key focus for the next three years set out in the proposed corporate strategy was:

- Data – focussing on a range of data related projects including the valuation and a number of statutory exercises .
- Process Improvement – this focused on getting the most out of the investment in technology including automating processes and improving reporting.
- Investment – focused on activity to develop and refine the investment strategy to support the overall funding of the pensions scheme, including the delivery of the Net Zero Goal.
- Organisational Infrastructure – which focused on all the things that made the business work.

G Graham commented that over the last three years work to progress the Equality and Diversity Scheme had not achieved as much as planned. Members discussed this at length including ways to promote the benefits of the scheme to BAME communities..

Members also discussed the recruitment and retention of staff, noting that the labour market was not favourable to the public sector at the moment. It was intended to provide a clear career progression path for employees along with adopting an attractive agile and hybrid working system. There would be a review of the broader pay and benefits package which was intended to be completed by December 2022.

Succession planning was also discussed, with members noting the likely retirement of key members of the Senior Management Team in future year which would be likely to present recruitment challenges.

The Chair thanked the Director for a very comprehensive report.

RESOLVED – That Members:

- i) Approve the updated Corporate Strategy covering 2022-2025 at Appendix A.
- ii) Approve the updates supporting strategies at Appendices B-E.

9 PENSIONS AUTHORITY BUDGET 2022/23

A report was submitted to present the Authority budget proposals for 2022/23 for approval.

Members were informed that the overall aim of the budget process was to ensure that the organisation's financial resources and allocations were determined on the basis of supporting the achievement of the corporate aims and objectives set out in the Authority's Corporate Strategy.

The budget for the year ahead reflected continued emphasis on equipping the organisation for meeting the challenges expected in the next three years as detailed in the Corporate Strategy which was elsewhere on the agenda. Additional resources were included for four new posts to be established to support various specific areas of the planned work. The budget also included the impact of some significant savings that had been achieved following the completion of previous corporate objectives in respect of business systems and procurement of a new contract for actuarial services.

The report showed the proposed budget for 2022/23 and the main changes within it compared to the original budget for the 2021/22 year (prior to the one-off virements relating to the capital budget and financing for the Oakwell House office refurbishment).

Members were informed that the budget requirement was for a total of £5,830,000 representing an increase of £384,400 (7%) on the previous annual budget of £5,445,600 which had been held in cash terms since 2019/20

The report gave details of:

- Transfers Between Budgets
- Salaries Budget Movement
- Workforce and Pay Policy
- Other Budget Movements
- Reserves
- Local Pension Board

Members were informed that the budget proposals outlined in the report were based on a continued approach of comprehensively reviewing the resource needs in the context of the Authority's current and future requirements. The areas suggested for additional investment had been carefully identified to link to and support the achievement of the Corporate Strategy objectives.

RESOLVED – That Members approve the 2022/23 budget for the Authority at a total of £5,830,000.

10 APPOINTMENT OF MONITORING OFFICER

A report was submitted which sought the Authority's approval to appoint Jason Field as Monitoring Officer to the Authority.

Members were informed that the Authority's Monitoring Officer, Garry Kirk, had left BMBC at the end of January 2022. The Council had appointed Jason Field, Head of Legal Services, as its Monitoring Officer and was recommending that he assumed the same responsibilities in relation to the Pensions Authority.

The Authority was therefore recommended to formally appoint Jason Field as Monitoring Officer to the Authority.

RESOLVED – That Members approve the appointment of Jason Field (Head of Legal Services, Barnsley MBC) as the Authority's Monitoring Officer with effect from 1st February 2022.

11 INVESTMENT ADVISORS

Members were reminded that the current Independent Investment Advisors were appointed in September 2019 for a period of 3 years ending in September 2022. Given the time required to make an appointment it was now appropriate to consider the options and actions to be taken in relation to the contracts.

The Advisor's contracts limit the total duration of an advisor's service to 10 years. By September 2022 Mr Robb would have served more than 10 years which meant that his contract could not be renewed. Ms Devitt would have served for three years and it was possible to renew her contract for a further period if members wished to do so.

Members had two specific choices:

1. Whether to continue with two advisors or move to one advisor.
2. Whether or not to renew Ms Devitt's contract.

Members agreed that having two advisors with different backgrounds and experiences provided a better range of challenge and input for the Authority and the Investment Panel.

Members welcomed the proposition to renew Ms Devitt's contract and agreed to the suggestion that the appointment should be for four years to ensure that the advisor's contracts did not come to an end at the same time.

Cllr Sangar commented that Mr Robb had done an excellent job over the last 10 years and this should be recognised.

Cllr Stowe agreed commenting that Mr Robb had seen the Authority through some difficult times.

Members noted the process required to appoint a new Investment Advisor.

RESOLVED – That Members:

- i) Approve the extension of Ms Devitt's contract for a further four years from September 2022.
- ii) Agree to undertake an appointment process for an advisor to succeed Mr Robb for three years with effect from September 2022 as outlined in paragraph 5.5 of the report.

Exclusion of the Public and Press

RESOLVED – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and the public interest not to disclose information outweighs the public interest in disclosing it.

12 BORDER TO COAST STRATEGIC PLAN AND BUDGET 2022-25

A report was submitted to determine how the Authority's vote should be cast in relation to shareholder resolutions associated with the Strategic Plan and Budget for the Border to Coast operating company.

RESOLVED – That Members:

- i) Note the Strategic Plan and Budget for the period 2022-2025 proposed by the Board of Border to Coast operating company at Appendix B.
- ii) Authorise the casting of the Authority's vote in favour of the shareholder resolutions required to approve the Strategic Plan and Budget.

13 PROJECT CHIP UPDATE

A report was considered which updated members of the Authority on the progress of discussions related to Project Chip.

RESOLVED – That Members:

- i) Note the progress being made in discussions over Project Chip.
- ii) Endorse continued discussions.

CHAIR