

<b>Subject</b>	<b>Update on Decisions Made by the Authority</b>	<b>Status</b>	For Publication
<b>Report to</b>	Local Pension Board	<b>Date</b>	08 August 2024
<b>Report of</b>	Head of Governance and Corporate Services		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Jo Stone Head of Governance and Corporate Services	<b>Phone</b>	01226 666418
<b>E Mail</b>	<a href="mailto:jstone@sypa.org.uk">jstone@sypa.org.uk</a>		

## **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.

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## **2 Recommendations**

- 2.1 Board Members are recommended to:
- a. Note and comment upon the decisions 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 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 fulfil its duties 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 Board's last meeting on 25 April 2024.
- 5.3 The table below sets out the decisions of the Authority taken at its meeting on 06 June 2024 and the decisions of the Audit & Governance Committee on 11 July 2024. 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.

<b>Decisions Made at Authority Meeting 06 June 2024</b>	
Full agenda and the public reports referred to below are available at: <a href="#">Authority Meeting 6 June 2024</a> <i>Exempt reports from the June Authority meeting are included in the exempt part of the agenda for this Local Pension Board meeting.</i>	
Item 9: Members, Political Balance, and Appointment to Committees	Members approved the membership arrangements for 2024/25
Item 11: Minutes of the Meeting Held on 14/03/2024	The minutes of the meeting were agreed as a true record of the meeting held on 14 March 2024.
Item 13: Corporate Performance Report 2023/24 (Q4)	Members approved: The budget virements set out in the report. The Authority overspend of £49,200. Approved the transfer to and from the earmarked reserves, amounting to a net total transfer from reserves of £274, 235.
Item 17: "Levelling Up" Plan	Members approved the Place Based Impact Investment Plan.
Item 19: Funding Strategy Statement	Members agreed that the Cessation Policy be updated to reflect the agreed approach to calculating the exit credit payable to a ceasing contractor – in line with the report.
Item 21: Vexatious Complaints and Unreasonable Behaviour Policy	Members approved the Vexatious Complaints and Unreasonable Behaviour Policy.
Item 22: Members Learning and Development Strategy 2024/25	Members approved the Members Learning and Development Strategy 2024/25.
Item 25: Annual Governance Statement	Members approved the Annual Governance Statement 2023/24, authorised its signature by the Chair and the Director, and noted the provisional conclusion of the Head of Internal Audit.
<b>Restricted Items</b>	
Item 26: Border to Coast 2030 Strategy	Members approved the casting of the Authority's shareholder vote in favour of the Border to Coast 2030 Strategy.

Item 27: Independent Adviser Recruitment Progress Update	Members approved the recommendations listed in the restricted report.
Item 28: Director's Appraisal	Members noted the review of the Director's performance over the year and approved the objectives for the coming year set out in the body of the report.
<b>Decisions Made at Audit &amp; Governance Committee 11 July 2024</b>	
Full agenda and the public reports referred to below are available at: <a href="#">Audit &amp; Governance Committee 11 July 2024</a>	
Item 6: Minutes of the meeting held on 07/03/2024	The minutes of the meeting were agreed as a true record of the meeting held on 07/03/2024.

#### *Decisions Taken Between Meetings Under the Urgency Procedure*

- 5.4 It is often necessary for decisions to be taken between meetings of the Authority due to the time sensitive nature of the matters involved. These decisions are taken by the Chair in consultation with the s41 members and the Director, then published on the Authority's website and reported to the next Authority meeting for transparency. A report is also provided to update the Local Pension Board on such decisions.
- 5.5 There was only one decision required under this procedure during the period between the March to June meetings of the Authority.
- 5.6 Border to Coast circulated several shareholder resolutions for approval at the Annual Meeting of shareholders. SYPA were requested to vote on the following resolutions:
- i. To receive the accounts – Recommend voting in favour. They show the company is profitable and is delivering against its objectives.
  - ii. To reappoint the auditors (KPMG) and authorise the directors to negotiate the fee. Recommend abstaining on this resolution (see comments in para 5.7 below).
  - iii. To note the policy on Directors outside business interests. Recommend voting in favour. This is a standard policy which the company takes seriously.
  - iv. To receive the register of Directors outside business interests. Recommend voting in favour. The interests which are notified do not raise any red flags.
  - v. Approve a 1-year extension as a director for Cllr John Holtby. Recommend voting in favour. This was supported by the Joint Committee.
  - vi. Approve the appointment of Felicity Bambery as a director. Recommend voting in favour. This individual appears to have an appropriate background and experience for the role.
  - vii. Approve the remuneration policy for Non-Executive Directors. Recommend voting in favour. While there are increases in the director's fees proposed, the comparative information produced indicates that they are not out of line with the market (if anything slightly below) and these individuals do provide significant input.
  - viii. Note a change in policy which will move non-executive director fees to a day rate. Recommend voting in favour. This is in line with market practice.
- 5.7 Abstaining from resolution (ii), relating to the reappointment of KPMG as auditors, was supported for the below reasons:
- The reality is that the resolution has no effect as the company is tied into a long-term contract with KPMG. The total contract has a length of 10 years. Were this an investment in another company Border to Coast would vote against an audit firm

being appointed for more than 9 years on the grounds that they cease to be independent.

- KPMG have been subject to a number of adverse regulatory findings in relation to their audit practice. While this is actually true of all the big firms, it poses a reputational risk for the company. The Company indicates that they are keeping these issues under regular review.

5.8 The decision was approved to vote in line with the recommendations above.

## **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**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>