

South Yorkshire Local Pension Board Annual Report

1 May 2024 to
30 April 2025

Foreword

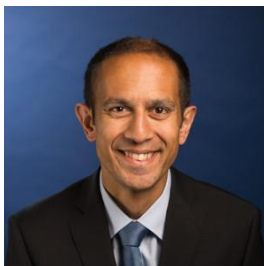
Welcome to the annual report of the South Yorkshire Local Pension Board ('the Board').

The Board seeks to assist the South Yorkshire Pensions Authority to maintain effective and efficient administration and governance. It comprises equal numbers of representatives of scheme members and employers.

On behalf of the Board, I would like to thank the staff at the Authority for continuing to deliver a high-quality pensions service and for the support provided to the Board. I would also like to thank Clare Scott, as the Board's previous Independent Adviser, for all her support, advice and guidance over the past few years, and welcome Neil Mason as the Board's new Independent Adviser, who joined us in July 2024.

Finally, thank you to members of the Board for your continued diligence, support and commitment.

Riaz Nurennabi, Chair



Role of the Local Pension Board

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

- a) securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme;
- b) securing compliance with requirements imposed in relation to the scheme and any connected scheme by the Pensions Regulator;
- c) such other matters as the scheme regulations may specify.

The Board's Terms of Reference are documented in the Board's Constitution which is available on the Authority's website [here](#).

Membership during the Year

The Board's membership comprises equal numbers of employer and employee representatives as well as an Independent Adviser. The members of the Board over the 2024/25 year were as follows:

Name	Date of joining	Nominated by/ Representing	Term of Office (to)
Employee Representatives			
David Webster (Vice Chair)	01/10/2019	Selected from active, deferred and pensioner members	September 2025 (2 nd Term)
Andrew Gregory	25/07/2019		July 2025 (2 nd Term)
Martin Badger	06/06/2024	UNISON	Resigned: 04/04/2025
Sheldon McClure	08/08/2024	Unite	August 2027 (1 st Term)
Shelagh Carter	07/11/2024	GMB	November 2027 (1 st Term)
Employer Representatives			
Riaz Nurennabi (Chair)	03/11/2022	Sheffield Hallam University	November 2025 (1 st Term)
Ken Richardson	20/05/2022	Local Authority	May 2025 (BMBC 3 rd year)
Linda Beresford	06/06/2024		May 2026 (RMBC 2 nd year)
Nicola Gregory	18/01/2018	Academies	December 2026 (3 rd Term)
Debbie Carrington	06/06/2024	South Yorkshire Police	Resigned: 06/02/2025
Independent Adviser			
Neil Mason	July 2024	-	-

There is currently one employer representative vacancy and one scheme member representative vacancy because of resignation that have not yet been filled since

becoming vacant in February and April 2025 respectively; recruitment is in progress, and it is currently anticipated that the roles will be filled in time for the August 2025 meeting of the Board.

Meeting Attendance

Attendance at the Board's meetings throughout the year was as follows:

	08 Aug 2024	07 Nov 2024	20 Feb 2025	27 Mar 2025 [Note 1]	24 Apr 2025	% Attendance [Formal Board meetings]
Riaz Nurennabi Chair	✓	✓	✓	✓	✓	100%
David Webster Vice Chair	✓	✓	✓	✓	✓	100%
Sheldon McClure	✓	✓	[Note 2]	[Note 2]	[Note 2]	50%
Andrew Gregory	✓	✓	✓	✓	✓	100%
Nicola Gregory	✓	✓	[Note 2]	✓	✓	75%
Linda Beresford	✓	✓	✓	✓	✓	100%
Ken Richardson	✓	✓	✓	[Note 2]	✓	100%
Debbie Carrington	✓	✓	N/a	N/a	N/a	100%
Martin Badger	✓	✓	[Note 2]	[Note 2]	N/a	50%
Shelagh Carter	N/a	[Note 2]	[Note 2]	[Note 2]	[Note 2]	0%
Total Board Member Attendance	100%	90%	55.6%	55.6%	75%	77.5%
Neil Mason Independent Adviser	✓	✓	✓	✓	✓	100%

Notes:

1. The meeting on 27 March 2025 was the Board's annual effectiveness review.
2. Apologies received.

N/a = Not applicable as not a member on this date.

Board Diversity Characteristics

Recording and monitoring of the Board membership's diversity characteristics is now undertaken in line with the recommendations of the Pensions Regulator, and these characteristics are summarised in the following chart.



Data as at February 2025

The Board recognises the value of diversity and has expressed an aim to identify actions to try and improve the diversity of the Board membership to ensure a broader range of perspectives, experiences, and backgrounds in decision-making are captured. Selection and recruitment of new members does include efforts to advertise widely, and work will continue to build on this further. The action plan developed arising from the Board's review of its effectiveness will include an action around incorporating the Authority's DEI (Diversity, Equality and Inclusion) Strategy where appropriate.

Work of the Board 2024/25

The Board held four formal meetings during the year. An annual Work Programme provides the basis for the agendas for meetings and includes a range of issues covering both pensions administration and governance.

Governance:

- **Governance Updates** – The Board received quarterly updates from the Authority's Head of Governance and Corporate Services on a range of governance-related matters including member learning and development, succession planning, information governance, audit findings and progress on actions, and regulatory and national policy developments.
- **Decisions of the Authority** – Members of the Board received all agenda papers issued to Members of the Pensions Authority and Board members can observe meetings of the Authority.
- **Authority's Annual Report 2023/24** – the Board reviewed the draft annual report 2023/24 and provided comments and improvement suggestions on this with their recommendation to the Authority.
- **LPB Budget** – the Board considered their proposed budget for 2025/26 and recommended this to the Authority for approval as part of the overall Budget for 2025/26.
- **Independent Governance Review Action Plan** – Following the independent governance review, undertaken by Aon and reported in June 2024, two members of the Board participated in a small working group with Authority members and officers to produce an action plan. The plan was considered by the Board at their November meeting and recommended to the Authority for approval. Progress updates are monitored regularly by the Board.
- **The Pensions Regulator's General Code of Practice** – The Board received bi-annual updates on the assessment of compliance with the Code to scrutinise and seek assurance that progress towards compliance is evidenced.
- **Risk Management** – The Board actively monitor and seek assurance regarding the Authority's management of risks and during the year have completed the following work in this respect.
 - Considered the Risk Register at each formal meeting throughout the year.
 - Received a demonstration of the Pentana risk management software system with a presentation on how this is used by officers as part of the risk management process.
 - Considered the report on findings from an internal audit review of the implementation of the risk management system. The Board welcomed the positive audit opinion and assurance provided.
- **Procurement Compliance** – The Board considered a report on how the Authority's procurement arrangements ensure compliance with regulations and the Contract Standing Orders. This update had been requested by the Board for them

to undertake a more detailed consideration of procurement following results of an internal audit review, including an update on progress against the agreed actions from that review.

- **Governance Compliance Statement** – The annual update of the Governance Compliance Statement was reviewed by the Board and recommended to the Audit and Governance Committee.
- **Annual Governance Statement** – The draft of the Annual Governance Statement for 2024/25 was reviewed by the Board who recommended it for approval to the Authority who will consider this in June 2025.
- **Investment Governance** - The Board considered a report of the Assistant Director – Investment Strategy on the conclusions and recommendations arising from the annual review of the Border to Coast Pensions Partnership.
- **Member Learning and Development** – The Board reviewed the Member Learning and Development Strategy 2025/26 and recommended it for Authority approval. Additionally, the Board welcomed the proposed introduction of individual member learning and development plans, launched in April 2025, to ensure tailored plans and support for each member in developing their knowledge, skills and expertise in fulfilling their roles and responsibilities on the Local Pension Board.

Pensions Administration:

- **Pensions Administration Performance** – The Board considered detailed reports at each meeting on pensions administration performance. The Board have welcomed a number of additions and enhancements incorporated into these reports, many of which were requested by the Board. Some of the issues considered this year include progress on delivery of the administration improvement plan, clearance of casework backlogs, plans and risks relating to the software system improvements, monitoring of progress and issues on McCloud rectification, and updates on delivering the range of major projects in progress..
- **Breaches, Complaints and Appeals** - The Board received updates on breaches, complaints and appeals as part of the Pensions Administration quarterly reports. Members have welcomed additional information being reported to provide a deeper understanding of the breaches, complaints and appeals.
- **Consultation, Communications and Engagement Strategy** – The Board considered the draft Consultation, Communications and Engagement Strategy and recommended it for approval to the Authority who will consider this in June 2025.

Board Member Learning and Development

Members of the Board are provided with a range of learning and development opportunities, and this is planned within the annually updated Member Learning and Development Strategy that encompasses both Board and Authority members.

During the 2024/25 year, members of the Board have participated in the following learning and development events.

Event / Course	Date	Riaz Nurennabi	David Webster	Sheldon McClure	Andrew Gregory	Nicola Gregory	Linda Beresford	Ken Richardson	Martin Badger	Debbie Carrington	Shelagh Carter
LGPS Online Learning Academy*	2024/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	
CIPFA Annual LPB Conference	15/05/2024		✓								N/a
SYPA Inductions and Development Session	06/06/2024	✓	✓	N/a	✓	✓	✓	✓	✓	✓	N/a
Border to Coast Pensions Partnership Annual Conference	18/07/2024 – 19/07/2024		✓								
LGIU Course: Charing Skills	10/09/2024	✓	✓								N/a
SYPA Seminar – Corporate Strategy	12/09/2024		✓					✓	✓	✓	N/a
Room 151 Budget Podcast	04/11/2024	✓	✓				✓				N/a
LPB Training – Responsible Investment	07/11/2024	✓	✓	✓	✓	✓	✓	✓	✓		
CIPFA Local Pension Board Member Training - Autumn Series	21/11/2024		✓								
SYPA - Members Away Day	28/11/2024	✓	✓	✓	✓	✓			✓	✓	

Event / Course	Date	Riaz Nurennabi	David Webster	Sheldon McClure	Andrew Gregory	Nicola Gregory	Linda Beresford	Ken Richardson	Martin Badger	Debbie Carrington	Shelagh Carter
SYPA Seminar – Valuation Assumptions	13/02/2025		✓	✓				✓	✓	✓	
LPB Seminar – CEM Benchmarking of Pensions Administration	20/02/2025	✓	✓		✓		✓	✓		N/a	
SYPA Seminar - Breaches	13/03/2025	✓	✓	✓	✓		✓	✓		N/a	
LPB Presentation – Pentana and Risk Management	27/03/2025	✓	✓		✓	✓	✓			N/a	
LPB Seminar – Valuation Consultation and Engagement	24/04/2025	✓	✓		✓	✓	✓	✓		N/a	

* The LGPS Online Learning Academy is an online tool that all members of the Authority and the Local Pension Board complete as part of the support made available to equip them with the knowledge and understanding required to fulfil their roles. The learning plan comprises 8 modules covering the following topics:

- | | |
|--|---|
| 1. Committee Role and Pensions Legislation | 5. Procurement and Relationship Management |
| 2. Pensions Governance | 6. Investment Performance and Risk Management |
| 3. Pensions Administration | 7. Financial Markets and Product Knowledge |
| 4. Pensions Accounting and Audit Standards | 8. Actuarial Methods Standards and Practices |

In addition, there is a module for 'Current Issues' that is kept up to date with content and videos covering topical issues of relevance to Board and Committee members. During the year, Board members have also completed extra modules provided on the topics of the Task Force on Climate-related Financial Disclosures (TCFD) and Conflicts of Interest.

Review of Effectiveness

The Board carried out its annual effectiveness review meeting and survey in March 2025. A full report on the review and actions arising was considered at the Board's April 2025 meeting.

The following section provides a summary of the significant outcomes from this review.

The overall results of the effectiveness survey completed by individual members showed a broadly positive trend compared to the 2024 survey.

The effectiveness review was structured around 5 areas:

1. Review of progress on previous actions
2. Board meeting effectiveness
3. Knowledge, skills and capacity
4. General effectiveness
5. Continuous improvement suggestions.

The Board was generally pleased with the progress made on the actions from previous years' reviews. The Board documented their conclusions on closing off actions and proposals for carrying forward some of the actions not fully completed yet.

The review found that Board meetings are generally effective and newer members commented positively on how discussion in meetings is encouraged. Recommended improvements were discussed in relation to requesting further consideration of how the reporting to the Board by officers can better demonstrate performance and administrative changes relating to circulation of draft minutes and agendas.

In relation to Knowledge, Skills and Capacity, the Board found this to be very effective and the survey results showed a continuing improvement trend with members reporting increased confidence in their own knowledge and skills. The areas identified for further improvement related to the online reading room ('knowledge library') to make this more user-friendly and easier to navigate, and a suggestion to make the required time commitment and responsibilities of the role clearer when undertaking recruitment for new members.

In regard to general effectiveness, the survey results showed improved scores. The Board remain committed to aiming for increased diversity on the Board itself and identified an action to consider how to incorporate the Authority's Diversity, Equality and Inclusion strategy in the coming year.

The Board's review this year introduced continuous improvement as a new area for consideration. This highlighted suggestions in relation to identifying opportunities for greater collaboration between the Board and the Authority, ensuring more regular updates on any membership changes that occur between meetings, and considering

an action to limit the time spent by officers presenting reports in order to prioritise and allow more time for member questions and debate in the meetings.

The report on the effectiveness review outcomes was considered at the April meeting and an action plan was agreed to implement the recommendations.

Future Plans

Over the coming year, the Board will continue to consider issues covering governance and pensions administration included in its Work Programme. This programme continues to be developed in order to facilitate timely consideration of key documents, strategies and policies to provide the Board's input and views for Authority consideration prior to approval. Some of the main items on the agenda for the 2025/26 municipal year are as follows:

- Valuation 2025 – Results.
- Funding Strategy Statement update.
- Monitoring progress of significant projects such as McCloud Rectification and Pensions Dashboards.
- Local Pension Board Constitution review and update.
- Governance Compliance and Annual Governance Statements.
- Review of the Authority's draft Annual Report for 2024/25.

The Board also plans to implement actions for raising the profile of the Board and its work – these will include providing more information on the SYPA website, as well as taking opportunities to communicate through the employer and scheme member newsletters and to present at the annual employer forum.

Board Expenditure and Forecast Outturn 2024/25

The 2024/25 budget for the Local Pension Board was recommended to the Authority for approval in November 2023 and approved by the Authority as part of the total budget in February 2024.

The expenditure for the year and the variance against the budget is shown in the table below.

Local Pension Board Expenditure 2024/25	2024/25 Budget £	2024/25 Q4 Forecast Outturn £	2024/25 Q4 Forecast Variance £	2024/25 Q4 Forecast Variance %
Independent Adviser	9,800	10,590	790	8.1%
Member Allowances	18,700	18,390	-310	-1.7%
Member Learning and Development	8,000	7,180	-820	-10.3%
Member Travel & Subsistence Expenses	1,000	910	-90	-9.0%
Running Costs - Catering, Printing, etc.	700	470	-230	-32.9%
Total	38,200	37,540	-660	-1.7%

Budget Variances

The overall forecast outturn for the year is a minor under-spend of (£660).

The variances against the budget are as follows.

- a) There is a small over-spend of £790 on the independent adviser budget this year, mostly due to the additional costs of recruitment advertising required in 2024 for this role.
- b) Member learning and development continues to be a high priority and the budget for the year was almost fully used, with just a small under-spend of (£820) for the year. The 2025/26 budget has been set at £8,800 to maintain an extensive programme.
- c) There were minor variances across the various other running costs for the Board as shown in the table, resulting in a small net under-spend of (£630) in total on these lines.