

SOUTH YORKSHIRE PENSIONS AUTHORITY

LOCAL PENSION BOARD

7 AUGUST 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), Andrew Gregory (Scheme Member Representative), Sheldon McClure (Unite) and Shelagh Carter (GMB)

Neil Mason (Independent Adviser to the Board)

Officers in Attendance: Gillian Taberner (Assistant Director – Resources), Debbie Sharp (Assistant Director – Pensions), Jo Stone (Head of Governance and Corporate Services), Annie Palmer (Team Leader – Governance) and Gina Mulderrig (Governance Officer)

1 WELCOME AND APOLOGIES

The Head of Governance and Corporate Services welcomed everyone to the meeting. The Board welcomed Councillor David Nevett, who had previously served on the Authority and had now been appointed as a member of the Local Pension Board as the Local Authority representative for City of Doncaster Council and Shelagh Carter who has been appointed as the GMB Union Representative.

Apologies were noted as above.

2 ANNOUNCEMENTS

None

3 OUTCOME OF CHAIR AND VICE CHAIR ELECTIONS

The Head of Governance and Corporate Services presented the results of remote elections for LPB Chair and LPB Vice Chair held ahead of the first Board meeting of the municipal year.

It was explained that one candidate submitted a valid nomination for Chair and the Board was asked to vote on the election of the Chair and that one candidate submitted a valid nomination for Vice Chair and the Board was asked to vote on the election of the Vice Chair.

RESOLVED: Members agreed:

- a) Riaz Nurennabi was elected Chair of the SYPA Local Pension Board with immediate effect for the 2025/26 municipal year.**

- b) David Webster was elected Vice Chair of the SYPA Local Pension Board with immediate effect for the 2025/26 municipal year.**

4 URGENT ITEMS

None

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

RESOLVED: Item 19 and 20 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.

6 DECLARATIONS OF INTEREST

None

7 MINUTES OF THE MEETING HELD ON 24/04/2025

RESOLVED: The minutes of the meeting of the Board held on 24 April 2025 were agreed as a true record.

8 REVIEW OF THE ACTION TRACKER

Members queried closing Item 53 but were assured by the Assistant Director – Pensions that the information available regarding MyPension online portal users was covered in the Administration update at item 15.

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

9 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 high number of Authority and Local Pension Board members planning to attend the Border to Coast Conference in September was very positive and the Independent Adviser added that South Yorkshire Pensions Authority had also been well represented at the PLSA Local Authority Conference in June, explaining that this showed a positive level of peer and industry engagement.

RESOLVED: Members noted the updates included in the report.

10 UPDATE ON DECISIONS MADE BY THE 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 queried the underspend of £328k approved by the Authority at the meeting on 5 June 2025 and asked whether this underspend could be used to pay staff or contractors to work on clearing the backlog.

The Assistant Director – Resources broke down the underspend explaining that £138k of this underspend by the Authority had to be transferred to the Fund but that the remainder of the underspend was transferred to reserves and that, while some reserves were set aside for specific projects and costs, the budgets were regularly monitored and forecasts made regarding under-spends, the use of reserves and any expenditure requirements. This enables the use of available reserve balances and / or in-year under-spends where appropriate, such as for additional overtime costs for workload pressures arising from staff vacancies in particular. This has happened this year already with under-spends being used to finance staff overtime in pensions administration for focussed work on casework backlogs and priority areas for the valuation.

The Independent Adviser noted the Authority had completed their first Effectiveness Review and asked whether there was scope for collaboration between the Authority and the LPB on their 2025-26 Effectiveness Reviews in 2026. The Head of Governance and Corporate Services agreed to note the suggestion and arrange for this to be discussed at the forthcoming joint meeting of the Authority and LPB Chairs and Vice Chairs.

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

11 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 which risks were reducing and the Team Leader – Governance gave assurance that several risks were reducing including Member Knowledge and Understanding and the Border to Coast Strategic Plan and that another review of the Register was in progress with more risks expected to move to 'red' from 'amber'. Members requested future reports include the risk score from the previous review so they can assess how much a risk has reduced or increased.

Members asked what the process was for rolling out the implementation of operational risk registers to all teams. The Team Leader – Governance explained that the process would be done in stages across all the relevant services in the organisation. The first stage involves the Governance Team, ICT team and the Programmes and Performance team, which are progressing well and should all be fully live with their operational risk registers on the Pentana system by the end of

this quarter. It was noted that good progress on maximising use of the system was being made.

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

12 COMPLIANCE WITH PENSIONS REGULATOR GENERAL CODE OF PRACTICE (BI-ANNUAL UPDATE)

The Team Leader – Governance provided Local Pension Board members with an update on the current status of compliance with each section of the Pensions Regulator's (TPR's) General Code of Practice.

Members queried the 'red' status of question 15 under Scheme Administration regarding having a robust business continuity plan in place. The Assistant Director – Resources explained that this plan is in draft currently and would be fully completed before the next report meaning the status should be green next time. In response to a query regarding questions in the Communications and Disclosure section of the Code, it was also explained that a new Digital Media and Communications Officer was due to start in September 2025 and that this would enable the Communications team to progress the actions planned in relation to arranging a review of scheme member communications against plain English and accessibility standards. It was also explained that the status of several questions under the Reporting to TPR section were set to improve should the Complaints and Breaches Procedures presented at item 15 of this agenda be approved.

The Independent Adviser noted that there were numerous outstanding actions that had been identified as 'required' and stressed the importance of keeping the Board up to date with progressing these actions. The Chair agreed and asked whether there were any particular actions that SYPA would struggle to meet.

The Head of Governance and Corporate Services expressed that they were confident all 'required' questions could be met with the actions being planned and that the majority had already been identified for improvement before the compliance review. Officers agreed to include specific progress updates on any required areas of the Code that remain non-compliant in the covering report at the next review to be reported in February 2026.

RESOLVED: Members:

a) noted the update on compliance with the TPR's General Code of Practice and actions identified; and

b) considered if any further information or explanation was required from officers.

13 CONSTITUTION AND TERMS OF REFERENCE

The Head of Governance and Corporate Services presented the updated LPB Constitution and Terms of Reference following review and changes made in response to recommendations from the independent governance review.

Members discussed the proposed amendments noting some typographical errors for correction. Members also sought clarification that updates to the Constitution regarding rotation of Employer and Employee Representatives as Chair and Vice Chair were scheduled for discussion at the 2026 LPB Effectiveness Review and it was agreed to remove the additional reference to such rotation until the Board had discussed them further. Members also queried the term limit shown for the Independent Adviser, which was inconsistent with the overall limit for Board members. The Independent Adviser agreed on the need for consistency wherever possible. It was agreed to remove reference to the Independent Adviser's term limit pending further discussion.

RESOLVED: Members approved the updated Local Pension Board Constitution and ToR at Appendix A with agreed amendments.

14 DRAFT AUTHORITY ANNUAL REPORT FOR LPB REVIEW

The Assistant Director – Resources presented the first draft of the Authority's Annual Report for 2024/25 to the Board for review and comments.

Members noted the large size of the report and questioned whether a high-level summary of each section could be added to aid readers in understanding the information.

The Assistant Director – Resources explained that the report required such a large amount of information but that the option of summarising sections would be looked at. It was also explained that, when published, the report would be accompanied on the website by the SYPA In Focus video, introduced for the first time last year, with senior officers summarising the highlights from the report to make it more accessible to all stakeholders.

Members also noted a small number of typographical errors for correction by officers before publishing.

RESOLVED: Members reviewed and commented on the draft Annual Report of the Authority for 2024/25 at Appendix A.

15 PENSIONS ADMINISTRATION QUARTERLY REPORT

The Assistant Director – Pensions presented the Pensions Administration Quarterly Report giving the latest information on work undertaken in Quarter 1 2025-26.

Members asked for clarification around system updates testing for McCloud and it was confirmed that the user acceptance testing is carried out by teams across the organisation and not automated.

The Independent Adviser requested an update as to what measures are being put in place to manage the contractual expectations with the Systems Provider to ensure delivery of key dates for the implementation of McCloud. The Assistant Director – Pensions explained that discussions are in place collectively with other service users to assess the next steps in ensuring contractual compliance. Discussions took place around the potential of the service provider presenting to both the Board and Authority to demonstrate the plan for delivering the required outcomes in relation to McCloud. It was agreed that the options to meet with the service provider would be discussed at the joint Authority and Local Pension Board Chair and Vice Chair Meeting to be held on 11 August 2025.

Members noted that performance in relation to casework processing had decreased compared to the previous quarter and questioned the reason for this. It was confirmed that the reduction was due to the refocusing of priorities to work required for the valuation and that the next quarter reporting should reflect an upturn in the casework performance figures.

The Independent Adviser asked for further detail around the expected outcomes of the reassessment of the performance targets. The Assistant Director – Pensions explained that the overarching target would be reviewed and split into individual targets that are proportionate and tolerable to each task and would look to cover this as part of the next quarterly report.

Members welcomed the increase in numbers of scheme members registered on the online portal and questioned the percentage split for active members. It was agreed that this will be reported in the next quarterly report.

The introduction of automation was discussed and the Assistant Director – Pensions confirmed that the working group will be looking at the viability of this in certain processes but it would not be appropriate for more complicated calculations. Members requested clarification of figures reflected on the Annual Benefits Statements Dashboards and it was explained that these were a snapshot in time and are intended to show how the progress is being tracked.

The Independent Adviser commented on the positive engagement figures and queried how non formal complaints and positive feedback comments are captured. The Assistant Director – Pensions clarified that general queries where scheme members' issues are rectified as part of the call do not form part of the measured feedback however any feedback via the click surveys is monitored by the complaints resolution officer.

RESOLVED: Members:

- a) Noted the contents of this report with comment; and**
- b) Considered the draft Complaints and Breaches Procedures attached at Appendix B & C; and**
- c) Recommended the draft Procedures to the Authority Board for approval.**

16 REVIEW OF KEY COMMUNICATIONS - ANNUAL BENEFITS STATEMENT

The Assistant Director – Pensions presented the report to update members on the information sent to Scheme members on the Annual Benefit Statement to comply with Regulation 89 of the Local Government Pension Scheme Regulations 2013.

RESOLVED: Members accepted the report.

17 PLANNING OF THE NEXT LOCAL PENSION BOARD MEETING

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 developments with pooling matters as a result of the Fit for the Future initiative at the next meeting and this was added to the agenda.

RESOLVED: Members discussed and commented on the draft agenda for the November 2025 meeting as set out in paragraph 5.1 of the report.

18 UPDATE ON LOCAL GOVERNMENT PENSION SCHEME: FIT FOR THE FUTURE (VERBAL UPDATE)

The Assistant Director – Resources gave a verbal update on the progress and next steps of Local Government Pension Scheme Fit for the Future initiative.

The Assistant Director - Resources explained that the Authority had been briefed on the Government's response to the Fit for the Future consultation at their June 2025 meeting and that the information and subsequent updates had also been communicated to Board members via email. It was explained that the consultation and response broadly covered three areas: Local Investment, Governance and Pooling.

The Assistant Director - Resources explained there had been little change to the Local Investment proposals, which were in line with SYPA's place-based investment strategy and very much in line with SYPA's existing plans in this area.

The Assistant Director – Resources explained that in relation to the Governance aspects of the consultation, the Government's response gave clarification and detail on required strategies, policies and reviews and the new role of Senior LGPS Officer and added that these recommendations were in line with how SYPA operated and were achievable without major adjustment.

The Assistant Director – Resources gave the latest update on Pooling, following the Government's decision that the 21 funds in the ACCESS and Brunel pools would need to join another continuing pool. It was explained that Border to Coast and its partner funds were engaging positively with the soon to be 'homeless' funds and peer pools to ensure an optimal solution be reached. It was explained that a

working party is in place involving the senior officers from some of the partner funds, including the Authority's Director and the Board's independent adviser in his role as Senior LGPS Officer for the Surrey PF. A formal recommendation to shareholders is expected to be available for discussion and decision at the Authority meeting on 4 September 2025 and outcomes would be communicated to Board members as soon as practicable.

RESOLVED: Members noted the verbal update.

RESOLVED: Items 19 and 20 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.

19 FUNDING STRATEGY STATEMENT - DRAFT FOR CONSULTATION

The Assistant Director – Pensions updated members on the changes required to the core Funding Strategy Statement in line with the 2025 triennial Valuation to comply with Regulation 58 of the Local Government Pension Scheme Regulations 2013.

Members discussed the draft report, in particular requesting further clarification on the status of Climate Risk and TCFD reporting and were given assurance by the Assistant Director – Pensions that a full report and analysis would be available for employers by September 2025.

RESOLVED: Members:

a) Considered the draft core Funding Strategy Statement at Appendix A and comment upon any changes required; and

b) Recommended the draft, with any further amendments required, to the Authority Board for approval.

20 VALUATION 2025 - PROGRESS UPDATE

The Assistant Director – Pensions updated members on the 2025 triennial Valuation to comply with Regulation 62 of the Local Government Pension Scheme Regulations 2013.

Members queried when employer contribution rates would be shared and the Assistant Director – Pensions explained that the timetable indicated the rates would be shared by the end of September 2025 and that the information would be communicated to all stakeholders in a variety of ways once available.

RESOLVED: Members accepted the report.

CHAIR