

SOUTH YORKSHIRE PENSIONS AUTHORITY**10 OCTOBER 2013**

PRESENT: Councillor K Goulty (Chair)
 Councillor R Wraith (Vice-Chair)
 Councillors: D Baker, E Butler, B Ford, M Lawton, K Richardson,
 K Rodgers, L Rooney, A Sangar and P Wootton

Trade Unions: G Warwick (GMB) and F Tyas (UCATT)

Officers: S Pick (Clerk and Treasurer), J Hattersley (Fund Director),
 G Chapman (Head of Pensions Administration), I Baker (Pensions
 Manager), R Bywater (Principal Policy and External Relations
 Officer) and A Shirt (Senior Democratic Services Officer)

P Middleman (Mercer Ltd)

Dr J Miller (Chair of Sheffield Climate Alliance, Agenda Item 3 Only)

Apologies for absence were received from Councillor J Campbell
 and G Boyington

1 **APOLOGIES**

Apologies for absence were noted as above.

2 **ANNOUNCEMENTS**

The Chair informed the meeting that Dr Joan Miller, Chair of the Sheffield Climate Alliance would be addressing the Authority at agenda item 3 'Urgent Items'.

The Clerk and Treasurer informed Members that Roy Gillson, a former Investment Advisor to the Authority had died last week. Mr Gillson's funeral would take place at 12 noon on Tuesday 15 October at St Alkelda Church in Giggleswick.

Members paid tribute to the work carried out by Mr Gillson on behalf of the Authority and requested the Clerk and Treasurer to send a letter of condolence to Mr Gillson's family.

3 **URGENT ITEMS**

Dr Joan Miller, Chair of Sheffield Climate Alliance, presented a petition calling upon the Authority to publicly:

1. Review their fossil fuel investments and assess the risk to their financial strategy from continuing to invest in the 'carbon bubble'.
2. Consult their pension fund members about the ethics of investing in fossil fuels that hold high financial and climate risks, and about reinvestment in renewable energy.

RESOLVED – That Members:-

- i) Receive the petition presented by Sheffield Climate Alliance;
- ii) Request the Fund Director to prepare a report for consideration at the Investment Board meeting on 12 December 2013 regarding the points raised in the petition; and
- iii) Agree to provide a written reply to the Sheffield Climate Alliance following the Investment Board meeting on 12 December 2013.

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

RESOLVED – That agenda item 12 ‘Actuarial Valuation Update – Mercers’ now be considered in the absence of the public and press.

5 DECLARATIONS OF INTEREST.

None.

6 MINUTES OF THE ANNUAL AUTHORITY MEETING HELD ON 20 JUNE 2013

RESOLVED – That the minutes of the Annual Authority meeting held on 20 June 2013 be signed by the Chair as a correct record.

7 MINUTES OF THE ORDINARY AUTHORITY MEETING HELD ON 20 JUNE 2013

RESOLVED – That the minutes of the Ordinary Authority meeting held on 20 June 2013 be signed by the Chair as a correct record.

8 MINUTES OF THE SPECIAL AUTHORITY MEETING HELD ON 22 AUGUST 2013

RESOLVED – That the minutes of the Special Authority meeting held on 22 August 2013 be signed by the Chair as a correct record.

9 MINUTES OF THE SPECIAL AUTHORITY MEETING HELD ON 20 SEPTEMBER 2013

RESOLVED – That the minutes of the Special Authority meeting held on 20 September 2013 be signed by the Chair as a correct record.

10 WORK PROGRAMME

The Authority considered its Work Programme to 20 March 2014.

RESOLVED – That the contents of the Work Programme be noted.

11 SECTION 41 FEEDBACK FROM DISTRICT COUNCILS

Councillor Rodgers reminded Members that Doncaster MBC were in the process of setting their 3 year budget, highlighting that the Secretary of State for Education had

agreed to set up a Children's Trust to look at the child protection function in Doncaster, which he understood would become an Admission Body to the Fund.

12 QUARTER 1 PERFORMANCE SNAPSHOT REPORT

The Head of Pensions Administration gave an update on Quarter 1 Performance Snapshot Report 2013/14.

During the quarter the Authority had processed 16003 cases, of which 99.9% were on target; performance was the same as the previous quarter, with 796 more cases being processed. No employees had left the organisation during the quarter. Staff training was up to date on all aspects of the training plan. There had been 17 new employers registered for EPIC, 200 employers had now registered for EPIC. 81% of registered employers who submitted information did so via EPIC.

There had been 578 advisory sessions held during the quarter, numbers were down by 186 on the previous quarter. No complaints had been received during the period. There had been 14 new employers (9 Academies, 4 Transferee Admission Bodies and 1 Community Admission Body). During the quarter, there had been 2 employers terminations (both Community Admission Bodies).

At the end of June 2013 there were 291 participating employers, of which, 229 had active members.

RESOLVED – That the report be noted.

13 BOARD CHAIRS' REPORT

The Chair reminded Members that the Fund Annual Meeting would be held this evening at 5:30 pm at The Source Skills Academy, Meadowhall Way, Sheffield, urging all Members to attend.

14 LGPS REFORM PROPOSALS UPDATE

The Head of Pensions Administration provided the Authority with a verbal update in respect of LGPS 2014.

Members were informed that the Authority had now received the new Benefit Regulations; officers were currently working through the Regulations to make sure what the Authority was expecting was largely in these.

The Regulations did contain a provision that removed the option for members to pay additional voluntary contributions and then take them as 100% tax free cash at retirement. It was understood that the Treasury had demanded this, as the option did not apply in the other public sector schemes. From a funding point of view this was beneficial to the Authority, but this was potentially bad news for scheme members who had started to pay AVC's with the sole purpose of taking 100% cash. CLG were apparently discussing potential protections for existing contributors with stakeholders.

The Authority had submitted replies to all of the Government's recent consultations on the 2014 LGPS reforms.

Members were informed that the Authority had recently received a further consultation on Academies, which the Authority would need to examine and respond upon.

Councillor Lawton asked for an update in relation to the plans to discontinue the Councillors Pension Scheme on 31 March 2014.

The Head of Pensions Administration informed Members that there was likely to be an announcement from the Minister imminently regarding the Councillors Pension Scheme.

RESOLVED – That the update be noted.

15 FREEDOM OF INFORMATION ACT 2000: ANNUAL REPORT

A report of the Clerk and Treasurer was submitted which provided the Authority with the eighth annual update on the number of Freedom of Information requests received. During the period 9 November 2012 to 16 August 2013 the Authority had received 20 requests for information, the majority of which related to investment enquiries. All requests were dealt with within the 20 day limit required by the Freedom of Information Act. The Authority spent at least 22.5 hours of officer time in completing requests.

Councillor Lawton suggested that if the Authority were continually receiving requests for information on specific subjects, then information could be published on the Authority's website in order to reduce the number of FOI requests being received.

The Clerk and Treasurer agreed to consider Councillor Lawton's suggestion.

RESOLVED – That the report be noted.

16 COMPLIANCE WITH MYNERS' PRINCIPLES: SELF-ASSESSMENT

A report of the Clerk and Treasurer was submitted to inform Members of the outcome of the self-assessment against the Myners' Principles. In October 2011, Members had adopted a self-assessment system and agreed to use a template to gauge compliance. Members had been requested to complete and return the forms to the Clerk and Treasurer at the end of the financial year (March 2013). Ten of the twelve forms had been returned. The results had been positive, and no areas of concern or development needs had been identified.

RESOLVED – That Members:-

- i) Note the contents of the report.
- ii) Confirms its commitment to this process for this financial year.
- iii) Agree to any development needs arising from the results.

17 AMENDMENT OF DATE OF INVESTMENT BOARD MEETING

A report of the Clerk and Treasurer was submitted requesting the Authority to consider amending the date of the Investment Board meeting currently scheduled for 22 May 2014.

The Authority had discovered that this date clashes with the European and Local Elections.

RESOLVED – That Members agree to the Investment Board meeting being held on 26 June 2014 in order to avoid a clash with the European and Local Elections.

18 EXCLUSION OF PUBLIC AND PRESS

RESOLVED – That, under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item 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.

19 ACTUARIAL VALUATION UPDATE - MERCERS

The Authority received a presentation from Mercers which provided an update on the potential decisions on calculating the liabilities and preparing the Funding Strategy Statement, recovery plan and schedule of contributions for 2014/17.

RESOLVED – That Members:-

- i) Thank P Middleman for an informative presentation.
- ii) Note the presentation and await the outcomes arising from the discussions with the District Treasurers.

CHAIR