

SOUTH YORKSHIRE PENSIONS AUTHORITY

SPECIAL MEETING

10 DECEMBER 2015

PRESENT: Councillor S Ellis (Chair)
Councillor R Wraith (Vice-Chair)
Councillors: E Butler, B Lodge, H Mirfin-Boukouris,
K Rodgers, A Sangar, J Scott, M Stowe, J Wood and K Wyatt

Councillors: I Auckland, S Cox, D Leech and B Mordue
(SYPTPF Committee)

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

Investment Advisors: L Robb and N MacKinnon

Officers: J Hattersley (Fund Director SYPA), S Smith (Head of
Investments SYPA), F Bourne (Administration Officer SYPA),
F Foster (Treasurer), M McCarthy (Deputy Clerk) and A Shirt
(Senior Democratic Services Officer)

LPB Observers: G Boyington and S Ross

Apologies for absence were received from Councillor
B Webster, Councillor M Godfrey, R Askwith, A Frosdick,
J Bell, T Gardener and E Lambert (SYPTPF)

1 **APOLOGIES**

Apologies for absence were noted as above.

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

RESOLVED – That agenda item 4 ‘Government Consultation on LGPS’ be considered
in the absence of the public and press.

3 **DECLARATIONS OF INTEREST.**

None.

4 **GOVERNMENT CONSULTATION ON LGPS**

A report of the Fund Director was presented to advise Members that the Government
had issued consultation and guidance papers relating to the pooling of LGPS
Investments to reduce costs.

The consultation proposed to revoke and replace the current Local Government
Pension Scheme (Management and Investment of Funds) Regulations 2009 with the
draft regulations set out within the consultation paper. The deadline for initial
responses is 19 February 2016 with refined and completed submissions by 15 July
2016.

The proposals included:

- Removing some of the existing prescribed means of securing a diversified investment strategy and instead placing the onus on authorities to determine the balance of their investments and taking account of risk.
- Introducing safeguards to ensure that the more flexible legislation being proposed is used appropriately and that the guidance on pooling assets is adhered to. This included a suggested power to allow the Secretary of State to intervene in the investment function of an administering authority when necessary.

Members noted that submissions should include a commitment to pooling and a description of their progress towards formalising their arrangements with other authorities. Authorities could choose whether to make individual or joint submissions, or both, at this first stage.

Members reaffirmed that one of their key aspirations to be delivered under any pooling solution, was the preservation of internal investment management, if possible.

Members authorised officers to continue discussions with potential partner funds, as outlined at today's meeting.

RESOLVED – That Members:-

- i) Agreed that the Authority submits both an individual and joint submission to Government's first stage of consultation.
- ii) Endorsed officers to continue discussions with potential partner funds, as outlined at today's meeting.
- iii) Agreed that, at an appropriate time, when the Chair, Vice-Chair, Section 41 Members and the Fund Director are content with the proposed future arrangements, an official announcement is made regarding South Yorkshire Pension Fund's future pooling arrangements.
- iv) Agreed an initial budget of £10,000 for expenses incurred during the discussions relating to pooling.
- v) Requested that a Special Meeting of the Authority be arranged for February 2016 to consider the Authority's draft consultation response to Government.

CHAIR