

SOUTH YORKSHIRE PENSIONS AUTHORITY

12 JANUARY 2017

PRESENT: Councillor S Ellis (Chair)
Councillor M Stowe (Vice-Chair)
Councillors: H Mirfin-Boukouris, A Sangar, Z Sykes, J Wood,
R Wraith and K Wyatt

Trade Unions: N Doolan-Hamer (Unison), G Warwick (GMB)
and F Tyas (UCATT)

Officers: S Barrett (Interim Fund Director), G Chapman
(Head of Pensions Administration), B Clarkson (Head of
Finance), A Frostdick (Monitoring Officer), F Foster
(Treasurer), M McCarthy (Deputy Clerk), M McCoolle (Senior
Democratic Services Officer) and N Copley (Finance Service
Director)

Apologies for absence were received from Councillor E Butler,
Councillor J McHale, Councillor M Iqbal and Councillor P Wood

1 APOLOGIES

Apologies for absence were noted as above.

2 ANNOUNCEMENTS

Councillor Ellis informed Members that Maureen Oades, the former solicitor to the South Yorkshire Joint Authorities, had recently died having contracted Meningitis. Councillor Ellis wished to send condolences on behalf of the Authority to her friends and family at this sad time.

Councillor Wraith commented that he had known Maureen Oades for a long time, she had been an excellent officer and she had provided very good support to the Authority Members and at other places.

3 URGENT ITEMS

None.

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

Councillor Ellis requested that Item 11 'Government Consultation on LGPS Pooling' would be taken in both the public and private sections of the meeting to provide Members with a steer on forthcoming discussions.

Members' attention was drawn to the potential for a special meeting to be held on 16 February (following the Corporate Planning and Governance Board), to enable decisions to be made on formal pooling matters.

5 DECLARATIONS OF INTEREST

None.

6 MINUTES OF THE AUTHORITY MEETING HELD ON 24 NOVEMBER 2016

Councillor Sykes requested that the minutes be amended to reflect her apologies for absence.

RESOLVED – That the minutes of the Authority meeting held on 24 November 2016 be signed by the Chair as a correct record.

7 MINUTES OF THE CORPORATE PLANNING AND GOVERNANCE BOARD HELD ON 20 OCTOBER 2016

Councillor Wraith referred to the review of pensions administration. He queried the slight downturn in priority performance and how the Fund's members living overseas received their benefits.

G Chapman commented that there had been a slight downturn in priority performance during the period, as attention had been focused upon the completion of the annual returns. Members living overseas received their benefits via the Western Union into their foreign bank accounts or direct into bank accounts in the UK. Western Union was also involved in partnership with the Fund to trial the new existence process for pensioners living in the West Indies. It was the intention to roll the process out to the Fund's pensioners across the world in due course.

RESOLVED – That the minutes of the Corporate Planning and Governance Board held on 20 October 2016 be noted.

8 UPDATE ON MATTERS ARISING SINCE THE LAST MEETING

Councillor Ellis commented that all matters arising since the last meeting were covered on today's agenda.

9 WORK PROGRAMME

The Board considered its Work Programme to 8 June 2017 to provide Members with an early indication of the issues to be discussed at future meetings, together with any additional issues that Members wished to be covered in the agenda.

(Members had already noted a possible special meeting at the conclusion of the Corporate Planning and Governance Board on 16 February).

RESOLVED – That the Work Programme be noted.

10 SECTION 41 FEEDBACK FROM DISTRICT COUNCILS

Councillor Ellis commented that the district councils continued to observe the pooling developments; an update would be provided to the Leaders Meeting on 20 January.

11 REVENUE ESTIMATES 2017/18

A report of the Treasurer was submitted to formally confirm the draft budget proposals for the 2017/18 financial year that was considered by the Authority on 24 November 2016. Consultations on the key elements of those proposals had been undertaken with various interested parties and no changes had been suggested.

S Barrett thanked F Foster and other colleagues for the work undertaken and contributing to effective dialogue with our major customers.

Councillor Wraith thanked F Foster for all of her work provided to Members, and to himself in his former capacity of Vice Chairman to the Authority. He wished her well in her impending retirement.

RESOLVED – That the Authority formally confirmed the budget proposals and approved the budget of £7,042,600 for 2017/18.

12 SCHEME MEMBERS' ANNUAL FUND MEETING

A report of the Communications Manager was presented to report on the Scheme Members' Annual Fund Meeting held on 20 October 2016 at The Holiday Inn Barnsley. A total of 62 members had attended the meeting consisting of:-

- Pensioners – 47 (including 1 LPB member)
- Contributors – 9 (including 1 LPB member)
- Deferred members - 2
- Councillors – 3 (excluding Chair & Vice)
- Employer Representative - 1

Councillor Wyatt commented that he had attended the meeting which had been a successful event. He had been impressed with the amount of Fund members in attendance which had provided for a good natured discussion at a pleasing venue.

Councillor Wraith commented that The Holiday Inn, Barnsley had been a first class venue for the meeting in comparison to a previous meeting held at The Civic, Barnsley.

Councillor Sangar suggested that a venue with equal standards to The Holiday Inn should be sought for the next Annual Fund Meeting to be held in Sheffield in 2017. He highlighted that this had been the first Annual Fund Meeting following the retirement of J Hattersley. A number of questions had been asked by Fund members to which the Chair, Vice Chair and officers had provided good answers.

Councillor Ellis commented that the meeting had ran very smoothly, and she thanked the officers involved for all of the preparatory work undertaken.

Members noted that a full recording of the meeting was available to view at: <http://www.youtube.com/user/SYPensions>

Councillor Ellis thanked Members, on behalf of the Vice Chair and herself, for their attendance at the meeting.

Members would be notified of the date and location of the next Annual Fund Meeting in due course.

RESOLVED – That Members noted the contents of the report.

13 COMPLIANCE WITH THE PRINCIPLES FOR INVESTMENT GOVERNANCE: SELF-ASSESSMENT

A report of the Clerk was submitted to update Members on the CIPFA Code of Practice on public sector pensions finance knowledge and skills and the requirements for the self-assessment against the Principles for Investment Governance (formerly Myners' Principles).

In October 2011, Members had adopted a system of self-assessment and had agreed to use a template to gauge compliance. Upon Members' confirmation to the self-assessment process, assessment forms would be despatched to Members, to be completed and returned before the end of March 2017.

RESOLVED – That:-

- i) The Authority noted the content of the report.
- ii) Members confirmed their commitment to the self-assessment process until the new Regulations for the Scheme come in to place and to review and update the process at this time.
- iii) Members agreed to any development needs arising from the results.

14 GOVERNMENT CONSULTATION ON LGPS POOLING

Councillor Ellis referred to a recent short meeting with Marcus Jones, Minister for Local Government, together with representatives from the Border to Coast Pool.

The Government had indicated that they were pleased with how the Pool was progressing, and that it was one of the leading pools. The Government had not relented on the tight timescales which had been slipped by Government officers. The Government had referred to achievement of aspirations including increased infrastructure investment. The Pool had been very clear in highlighting its fiduciary duties first and foremost. The Government had not yet determined whether there would be one national vehicle to undertake infrastructure investment.

S Barrett referred to the Pool's work streams which were ongoing with both an officer operation group and member steering group. The member steering group would next meet on 31 January. Members would be provided with a report to either a Special Authority Meeting on 16 February or at the Authority Meeting on 16 March. This would address the formal approval to Pooling through multi-partner agreements in order to progress towards an operational 'go-live' on 1 April 2018, or as soon as practicable thereafter.

A Frosdick referred to the intention to put together a common pack of presentation slides to present the key principles around governance. He commented that this was a very complicated legal transaction in terms of the investment vehicle being

established. He was comfortable in the way that officers and external lawyers that the Authority was engaging with were dealing with matters both properly and effectively.

G Warwick queried whether a position had been reached on the role of trades unions and boards in the pools.

Councillor Ellis commented that it was likely that trades unions would not be included onto the Board. However work was ongoing to determine how trade unions could be involved without giving them membership of the Board or full voting rights. It was anticipated that voting rights would remain with each of the authorities.

G Warwick commented that he understood the Government had given discretion to individual pensions authorities as to whether to involve trades unions. He understood this was consistent with the principle of a scrutiny and monitoring role. He suggested that trades unions and board members should be involved in some type of forum.

Councillor Wraith welcomed G Warwick's suggestion. He added that the Authority had always had an excellent working relationship with the trades unions and representatives, to which he did not want the liaison to fade away.

Councillor Stowe suggested that briefing papers from the trades unions should be provided to the Pool whilst those discussions were taking place to highlight the importance of trade unions.

RESOLVED – That Members noted the update.

15 EXCLUSION OF THE PUBLIC AND PRESS

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

16 GOVERNMENT CONSULTATION ON LGPS POOLING

Members were provided with a verbal update on discussions taking place within the Border to Coast Pool relating to elements of the draft terms and conditions of service for the senior executives to be employed by this body.

RESOLVED – That Members noted the update.

CHAIR