

**SHEFFIELD CITY REGION COMBINED AUTHORITY/SOUTH YORKSHIRE PENSIONS AUTHORITY**

**JOINT LOCAL PENSION BOARD**

**5 OCTOBER 2017**

PRESENT: G Boyington (Scheme Member) (Chair)

G Berrett (Employer, SYP), N Doolan-Hamer (Unison), P Lofts (Employer BMBC), S Ross (Scheme Member), J Thompson (Employer, Action Housing) and G Warwick (GMB)

Officers: S Barrett (Interim Fund Director), G Chapman (Head of Pensions Administration), M McCarthy (Deputy Clerk) and G Richards (Democratic Services Officer)

Apologies for absence were received from S Carnell and K Morgan

1 **WELCOME AND APOLOGIES**

The Chair welcomed Cllr Lofts to his first Board meeting. Apologies were noted as above.

The Board noted that as the Passenger Transport Pension Fund would transfer to the Greater Manchester Pension Fund on 1 November 2017, Steve Carnell would not be attending another meeting of the Board. The Board requested that a letter of thanks be sent to Steve to thank him for all his input into the work of the Board.

2 **DECLARATIONS OF INTEREST**

None.

3 **ANNOUNCEMENTS**

None.

4 **MINUTES OF THE MEETING HELD ON 20 JULY 2017**

With regard to the implementation of the General Data Protection Regulation in May 2018, G Chapman confirmed that training had been secured for IT staff. The online training system would be updated and staff would be required to take a compulsory course. Progress would be reported to the Corporate Planning and Governance Board in the New Year and the Local Pension Board would be kept informed.

It was confirmed that the Authority's insurance covered the Board with regard to public indemnity but with an excess of £500,000; this could be reduced to zero subject to an annual premium of £2,000.

The Board requested that this be arranged as soon as possible to ensure they were fully covered.

M McCarthy reported that work was ongoing to fill the vacancies on the Board.

RESOLVED:

- i) That officers arrange for the above mentioned insurance policy to be secured.
- ii) That the minutes of the last meeting be agreed as a correct record.

5 WORK PROGRAMME

The Board's Work programme was noted.

6 RISK MANAGEMENT - DRAFT RISK REGISTER

The Board considered that Authority's Risk Register, noting the amendments and the new risk that had been added which reflected the risk around the implementation of the General Data Protection Regulation.

For the risk scores, it was suggested that it would be useful to add arrows to indicate if the score had gone up, down or had remained the same.

G Berrett questioned whether the scoring was subjective or based on a quantified assessment of probability.

M McCarthy reported that there was a risk matrix which would be made available to the Board.

7 REPORT OF BREACH TO PENSIONS REGULATOR

G Chapman reminded the Board that last year every effort had been made to get all Annual Benefits Statements despatched by the deadline but this had led to a large backlog of work. This year the decision had been made not to do this and therefore he had informed the Pensions Regulator in May that the Authority would only be able to issue approximately 75% of annual benefit statements by the 31 August deadline. The letter explained the reasons for this and also the plans and actions to ensure that all statements would meet the deadline next year.

The Board noted that the Pensions Regulator did not respond until August and their response included a number of questions which were duly responded to.

Following this the Head of Pensions Administration had a conference call with senior staff at the Regulators' office; they indicated that they understood the reasons behind the decision and they were unlikely to take any further action. The Head of Pensions Administration had promised to update the Regulator on progress and had confirmed that over 90% had been sent out to date.

RESOLVED – That the report be noted.

8 LOCAL PENSION BOARD BUDGET

The Board noted its current budgetary position.

9 UPDATE TO CONSTITUTION AND TERMS OF REFERENCE

The Board were reminded that the South Yorkshire Passenger Transport Pension Fund would transfer to the Greater Manchester Pension Fund on 1 November 2017. Consequently the Board would become 'South Yorkshire Local Pension Board' and all mention of SYTPF removed from the Constitution and Terms of Reference.

RESOLVED – That the amended Constitution and Terms of Reference be submitted to the meeting of the Pensions Authority in November for approval.

10 INVESTMENT UPDATE

S Barrett informed the Board that the Annual Performance report had been considered by the Investment Board in September.

Overall, for the year end to March 2017 returns had been strong compared to previous years; approximately 22% against the benchmark.

For the first quarter of this financial year performance had been just above the benchmark and the second quarter had been around the same.

An equity protection scheme was being considered to protect the strong gains achieved.

The property strategy had worked well and there were plans in place for the property in Warrington which had been causing concern.

11 AUTHORITY AND BOARD WORK PROGRAMMES

The Board considered the Work Programmes of the Authority and its Boards.

Timings of Local Pension Board meetings were again discussed to enable the Board to comment on reports before they were finalised. Stand-alone meetings would be considered to facilitate this, especially for the Annual Governance Statement.

RESOLVED – That the Work Programmes be noted.

12 SYPA ANNUAL FUND MEETING

A report was submitted to inform the Board of the 2017 Annual Fund Meeting.

The meeting was to be held at the Source Skills Academy, Meadowhall on Thursday 19 October at 5.30pm. All Board members were urged to attend if possible.

The style and format of the meeting would follow last year's event; questions would be invited from the floor after each presentation. The meeting would again be available to view in near real time, this had been publicised in newsletters and on the website.

RESOLVED – That the report be noted.

13 DRAFT REPORTING BREACHES PROCEDURE

A report was submitted to enable the Board to review the draft Reporting Breaches Procedure before submission to the Authority for approval.

The Head of Pensions Administration informed the Board that although there was already a procedure in place for reporting breaches of the Pensions Regulators Code of Practice No. 14 the reporting Breaches Procedure, attached as an appendix to the report, formalised this procedure.

Work was currently being undertaken to put in place the mechanism for identifying, reporting and logging breaches; a register for all breaches would be kept and published as appropriate.

Although no breaches were anticipated, further training and guidance would be provided to all staff to ensure they were aware of the circumstances in which breaches could occur and the appropriate mechanism for reporting them.

RESOLVED – That the Board recommend that the Reporting Breaches Procedure be submitted to the next meeting of the Pensions Authority for approval.

14 ANY OTHER BUSINESS

S Ross requested that officers consult Scheme Advisory Board guidance with regard to reporting breaches to ensure the Board's Terms of Reference were consistent with the guidance.

M McCarthy reported that a post-pooling staffing structure for the Authority had recently been approved; this would be circulated to the Board once staff had been informed. BCPP press releases regarding recruitment would also be shared with Board members.

CHAIR