

Suffolk Pension Fund Business Plan 2023-24



SUFFOLK PENSION FUND COMMITTEE

BUSINESS PLAN 2023/24

Introduction

1. The Local Government Pension Scheme (LGPS) provides pension benefits for certain employees within local government. It is governed by statute and the statutory responsibility for regulating the scheme lies with the Minister of State for the Department for Levelling Up, Housing and Communities.
2. The Suffolk LGPS Pension Fund is administered by Suffolk County Council with the statutory responsibilities for the scheme fulfilled by delegating the necessary powers to the Pension Fund Committee.
3. The Scheme is open to all County Council employees (except teachers, former NHS Public Health staff and fire fighters who have their own scheme), employees of the Suffolk district and borough councils and employees of certain other public bodies (known as scheduled bodies) within Suffolk.
4. Parish and Town Councils may decide by designation to allow their employees to join the Pension Fund. The regulations also permit the Pension Fund Committee to admit to the Fund certain other bodies which provide public services (known as admitted bodies).
5. All local government employees automatically become members of the scheme unless they choose to opt out.
6. The Business Plan sets out how the management of the Pension Fund Committee's responsibilities for the coming year will be met.

Objectives

7. The Fund's investment strategy seeks to optimise the long-term investment return, in line with the level of risk that is considered appropriate in the light of the funding strategy.
8. The Fund's funding strategy seeks to minimise the employer contributions that are required, subject to taking a prudent long-term approach to funding the liabilities of the Fund and ensuring that employer contribution rates are stabilised as far as possible.
9. The Fund's administration strategy seeks to deliver a high-quality service for the administration of scheme benefits for the members (employees and pensioners) of the Fund.

ACTION PLAN 2023/24

10. The key areas where action will be undertaken over the next 12 months are set out below.

Review of Strategic Asset Allocation and Investment Strategy

11. The Committee will review its strategic asset allocation and investment strategy (including Environmental, Social and Governance and responsible investment considerations), with the assistance of its investment advisors annually, taking into account the expected future cashflows of the Fund.
12. The Committee will also consider the Funds ambition of setting a Net Zero target for the Fund.
13. The Committee will also review the AVC provider for the Fund.
14. The Committee will consider the ACCESS pools progress and look to transfer assets into the pool as appropriate sub funds are created.
15. The Committee will also consider the pool's alternative asset offerings as they become available, including CBRE as the appointed preferred property manager for Global and UK property investments for ACCESS.

Monitoring of Investment Performance

16. The Committee will continue to review the investment performance of the Fund as a whole and its investment managers on a quarterly basis and will review the annual performance at its meeting in July.
17. Improvements in performance monitoring will continue to be developed with Northern Trust, the appointed Custodian of the Fund, including the preparations for Task Force on Climate-related Financial Disclosures (TCFD) reporting.

Actuarial Valuation

18. The Committee will continue to monitor the actuarial position of the Fund on a quarterly basis.

Governance

19. The Committee will review its overall governance arrangements for the management of the Suffolk Pension Fund in line with the Scheme Advisory Board's Good Governance project and the Pensions Regulator Single Code.
20. The Committee will continue to work with the ACCESS Joint Committee to develop the pool which meets both the expectations of the Government's reforms and those of individual Funds.
21. Succession planning will be considered for the Head of Pensions post.
22. The Committee will consider its training requirements and will set a training programme to ensure Pension Fund Committee members (and officers) continue to enhance their knowledge of the Pension Fund and investments.
23. The Committee will keep the Fund's risk register under review.

Reporting and Communication

24. The Committee will report on performance to the Fund employers in September / October 2023. The Committee will also publish the Fund's Annual Report and Accounts for 2022/23 in November 2023.
25. The Committee will develop further its reporting on Environmental, Social and Governance issues and include metrics around climate change.
26. The Fund will complete the submission to become a signatory of the stewardship code for submitting in April 2024.

Administration

27. Payment of Pensions and the production of annual benefit statements for members will be completed on time.
28. Continue to reduce the backlog of undecided leavers within the anticipated four-year timescale.
29. Continue the rollout of I-Connect software to facilitate monthly transfer of data from employers.
30. Continue to improve the use of Member Self Service and further electronic communication opportunities with scheme members.
31. Continue to develop the website for the Suffolk Pension Fund.
32. Continue to develop our staff and improve our processes.
33. Increase awareness of Pension scams with scheme members and protect against cyber issues.
34. Prepare for LGPS data to be available on Pensions Dashboards that are being introduced to enable sight of all Pensions that an Individual has contributed to, in one place.
35. Start the completion of the work required for the McCloud remedy, meeting the timescales for the work set by Government.
36. Finalise all Guaranteed Minimum Pension (GMP) work, delayed by availability of Government data.
37. The Committee will review value for money of the Fund's operations by benchmarking costs and by monitoring service performance against agreed performance targets.

Review

38. The Committee will review progress against the Business Plan on at least an annual basis, with the next scheduled review at the Committee's February 2024 meeting.