

PENSIONERS NEWSLETTER

Issue number 45

October 2015

PENSION BOARDS

As part of the Public Service Pension Act 2013 there has been a requirement to establish local Pension boards for public service pension schemes. As a result we have recently set up Pension Boards for both the Local Government Pension Scheme (LGPS) and the Firefighters Pension Scheme.

Further information regarding the LGPS Pension Board is featured below in our Update on Fund Activity.

The Firefighters Pension Scheme Board met in August 2015. Appointments to the Board were made the 4 board members are confirmed as:-

Nick Barber - Employer Representative

Steve Collins - Employee Representative

Dave Pedersen - Employee Representative

Colin Spence - Employer Representative

UPDATE ON FUND ACTIVITY

The purpose of this note is to update you on what has been going on in the Suffolk Pension Fund over the last six months.

Actuary and Investment Advice

In June we completed a procurement process to appoint the Fund's Actuary and Investment Advisor.

Through using a national framework, we received bids from all four actuaries that are on the framework, and four bids from potential investment advisors.

Following detailed scoring of the written submissions and a "Service Fit" presentation scored with the Pension Fund Committee, the decision was taken to

offer both contracts to Hymans Robertson, our existing Actuary and Investment Advisor.

The new contract runs from November 2015 to December 2020.

Local Government Pension Scheme Pension Board

You may recall we mentioned in the last issue that we were creating a Pension Board to comply with the Public Service Pensions Act 2013. Appointments to the Board were made in June 2015 and the six board members are confirmed as:-

Councillor Richard Smith – representing Suffolk County Council

Homira Javadi – representing District, Borough, Town and Parish Councils

Kate Harrison – representing all other employers

David Rowe – representing Active scheme members

Eric Prince – representing retired scheme members

Suzanne Williams – representing the Unions

The Board appointed Councillor Richard Smith as Chairperson and David Rowe as Vice Chairperson for the forthcoming year, and agreed its terms of reference.

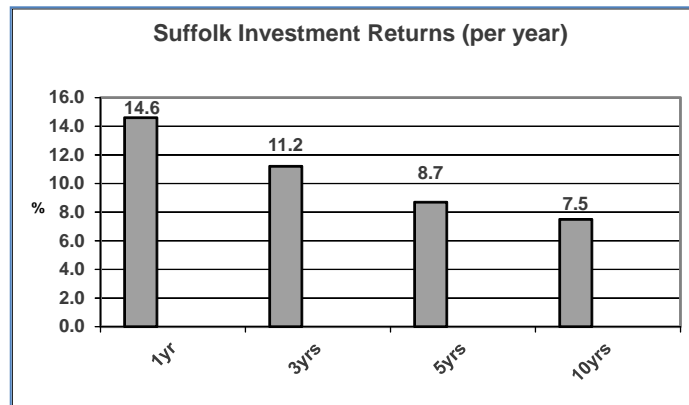
The Board will meet 4 times a year, and has already held its first two meetings. Copies of the Board papers are published on the Pension Fund website: <http://www.suffolkpensionfund.org/about-us/local-pension-board.aspx>

Your representative (Eric Prince) will write in the next edition on the issues that the Board has considered.

Investment Returns

The investment returns achieved in 2014/15 were very good and the fund value increased by £302m, breaking the £2bn fund size for the first time. The Fund ended the year at £2.187bn.

The chart below shows that annual investment returns over the short and longer term. The return for the Fund in 2014/15 was 14.6%.



Annual investment returns are of course important, but these can fluctuate widely. The Committee monitors the performance of its investment managers over a rolling three year period. This ensures that managers take a longer term view of investment returns rather than focussing on short term gains. The Fund over the last three years has returned 11.2% per annum.

Over the last 10 years, the average investment return for the Fund is 7.5% per annum. This return is higher than inflation, salary increases and the expectations of future investment returns included in the triennial valuation by the Actuary. This period included 2008 and 2009 when financial markets went through massive turmoil, and billions of pounds were knocked off the world stock markets.

For further information about the Fund's investment return and other Fund activity, please see the Funds Annual Report and Accounts, which can be found on the Fund's website from November:

<http://www.suffolkpensionfund.org/about-us/forms-and-publications.aspx>

Future investment of Local Government Pension Funds

You may have seen in the news the Chancellor of the Exchequer announcing plans about the future investment of Local Government Pension Funds. The intention is to pool together assets of individual funds to ensure a better fee deal on investment management costs, and to encourage investment in UK infrastructure. A consultation will be announced in the autumn.

We are working with other Funds (and Hymans Robertson) to respond to this challenge. Any change in the Suffolk Fund's investments, and its managers, would be phased in over a number of years.

The Pension Fund Committee will consider the implications of this at its future meetings.

PENSION PAY DAYS

If you are in receipt of a local government pension or a teachers compensatory pension you are paid monthly in arrears.

If you are a fire pensioner from the 1992 Fire Scheme you are paid in advance.

If you are a fire Pensioner from the 2006 Fire Pension Scheme you are paid monthly in arrears.

Your payment dates for the next 6 months will be as follows:

Local Government or Teachers Compensatory Pension	1992 Fire Scheme	2006 Fire Scheme
30/11/2015	01/12/2015	30/11/2015
31/12/2015	31/12/2015	31/12/2015
29/01/2016	01/02/2016	29/01/2016
29/02/2016	01/03/2016	29/02/2016
31/03/2016	01/04/2016	31/03/2016
29/04/2016	29/04/2016	29/04/2016

CONTACT DETAILS: - If you have any questions or concerns about the pension you receive from Suffolk County Council, please write to:-
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 Email: pensions@suffolk.gov.uk
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