

Suffolk Pension Fund Business Plan 2018-19



SUFFOLK PENSION FUND COMMITTEE
BUSINESS PLAN 2018/19

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 Communities and Local Government.
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.
5. All local government employees automatically become members of the scheme unless they choose to opt out.
6. The Business Plan deals with the management of the Pension Fund Committee's responsibilities for the Fund for the coming year.

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 2018/19

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 ESG and responsible investment considerations), with the assistance of its investment advisors.
12. The Committee will consider the ACCESS pools progress and look to transfer assets into the pool as appropriate sub funds are created.

Monitoring of Investment Performance

13. The Committee will continue to review the investment performance of the Fund as a whole and its investment managers on a quarterly basis.

Actuarial Valuation and Funding Strategy

14. The Committee will continue to monitor the actuarial position of the Fund on a quarterly basis.
15. Preparation work with the actuary, Hymans Robertson, will be started ahead of the next formal valuation at 31 March 2019, along with agreeing a timetable for completing the process.

Governance

16. The Committee will continue to review its overall governance arrangements for the management of the Suffolk Pension Fund.
17. The Committee will continue to work with the ACCESS Joint Committee to establish the pool which meets both the expectations of the Government's reforms and those of individual Funds.
18. The Committee will consider its training requirements and will set a training programme to ensure Pension Fund Committee members (and officers) develop their knowledge of the Pension Fund and investments.
19. The Committee will keep the Fund's risk register under review.

Reporting and Communication

20. The Committee will report on performance to the Fund employers in September 2018. The Committee will publish the Fund's Annual Report and Accounts for 2017/18 in July 2018.

21. The Committee will review the Fund's approach to communication in order to help improve the understanding of the local government pension scheme among employers and scheme members.

Administration

22. Completion of the Guaranteed Minimum Pension (GMP) reconciliation process to ensure accurate records with HMRC.
23. Completion of the digitisation of current microfiche records.
24. Roll-out of Member Self Service to all active and deferred members of the Fund. Deliver annual benefit statements to members electronically in 2018.
25. Decide whether to implement a bespoke payroll service for Pensioners and implement it (if necessary).
26. The Committee will review value for money in the Fund's operations by benchmarking costs and by monitoring service performance against agreed performance targets.

Review

27. The Committee will review progress against the Business Plan on at least an annual basis, with the next scheduled review at the Committee's March 2019 meeting.