

# **Suffolk Pension Fund Governance Policy Statement 2023/24**



# Suffolk Pension Fund

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### Purpose

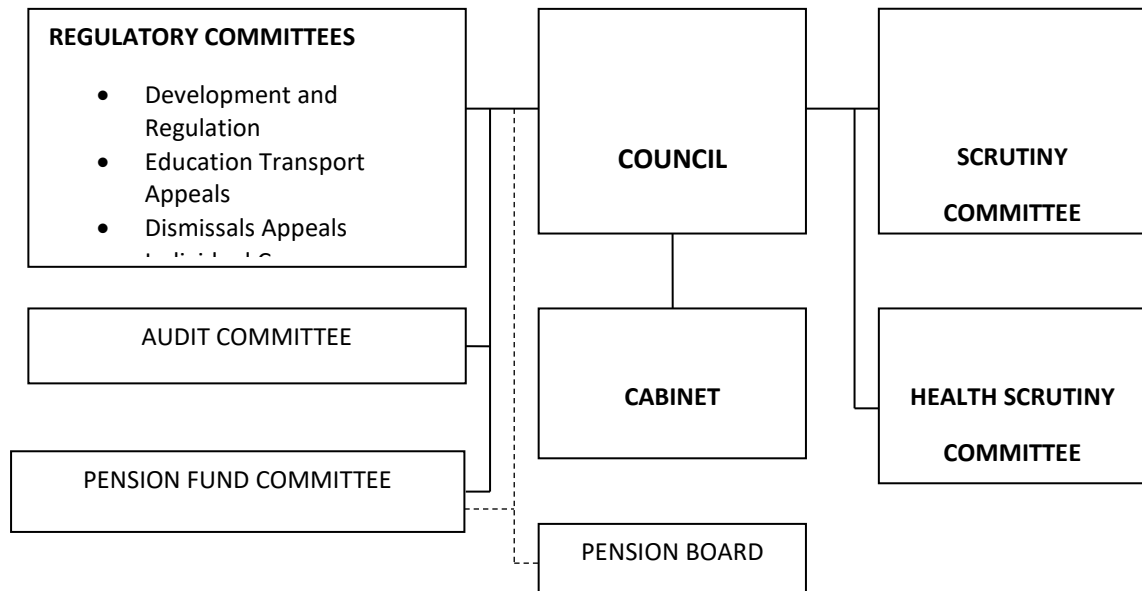
1. Pension Fund administering authorities are required to prepare and publish a governance policy statement. The policy statement must set out:
 

“whether the administering authority delegates its functions in relation to the pension fund to a committee, a sub-committee or an officer of the Council; and where this is the case, details of:

  - (i) the frequency of any committee’s meetings;
  - (ii) the terms of reference, structure and operational procedures in relation to the use of delegated powers;
  - (iii) whether the committee includes representatives of employers or scheme members; and if so, whether they have voting rights.”
  
2. This policy statement sets out Suffolk County Council’s arrangements for discharging its responsibilities for Pension Fund matters.

### Governance of the Suffolk Pension Fund

3. Under the Cabinet structure in local government, management of the Pension Fund is a non-executive function and this is reflected in the Suffolk governance structure that is set out below:



## **Pension Fund Committee Terms of Reference**

4. The terms of reference for the Pension Fund committee are set out below:
  - (a) To be responsible for the effective and prudent management of the Suffolk Pension Fund, having proper regard to the professional advice that it receives.
  - (b) To approve and maintain the fund's investment strategy statement.
  - (c) To consider and approve the fund's funding strategy statement.
  - (d) To review and set the Pension Fund's asset allocation and investment objectives.
  - (e) To appoint providers of professional services for the Fund and to review from time to time their terms of appointment.
  - (f) To regularly review with the investment advisers, the performance of the Fund and its investment managers and to consider future changes in asset allocation and investment strategy.
  - (g) To consider the results and impact of the triennial actuarial valuation and any interim valuation reports.
  - (h) To publicise their stewardship role to all scheduled and admitted bodies of the Pension Fund and to all contributors and beneficiaries by means of an annual report and annual meeting for employers and other stakeholders.
  - (i) To consider and approve if appropriate, the applications of organisations to be admitted bodies of the fund.
  - (j) To consider any other relevant matters on the administration of the Pension Fund investments.
  - (k) To receive regular training to enable committee members to make effective decisions and be fully aware of their statutory and fiduciary responsibilities and their stewardship role.
  - (l) To be responsible for any other matters which fall within the Council's responsibilities as the administering authority for the Pension Fund.

## **Membership of Pension Fund Committee**

5. The Pension Fund committee will consist of seven county councillors. Its membership will reflect the political balance of the County Council.
6. There will be in addition two co-opted district or borough councillors, with voting rights, who will be nominated annually by the Suffolk Public Sector Leaders Group.
7. There will also be one co-opted scheme member representative, who will have voting rights, and who will be nominated by UNISON. The scheme member representative will represent the interests of employee members, pensioners and deferred pensioners.

### **Operational Procedures**

8. The committee shall have at least four regular meetings scheduled each year. At these meetings the committee will receive a report on the investment performance of the fund in the quarter.
9. The committee will receive an annual report from the fund's independent performance measurement adviser to review the long-term performance of the fund and the fund's investment managers. In addition, the committee will hold meetings as required, to discuss specific issues, such as the actuarial results, to review the overall investment strategy of the fund and to examine manager performance in greater depth.
10. If a vacancy occurs on the committee, it will not be filled until the nominated member has received appropriate training. Substitutes will only be allowed if they have received appropriate training in the business and responsibilities of the committee.

### **Communication and Reporting**

11. An annual meeting will be held for all employers and stakeholders of the Fund to receive information relating to the activities of the Suffolk Pension Fund and discuss developments relating to the LGPS.
12. The Pension Fund website will publish all relevant documents relating to the Pension Fund, including the Annual Report and Accounts, administrative forms and guides, and all policies.

### **Pension Board Terms of Reference**

13. The role of the Pension Board as defined by sections 5 (1) and (2) of the Public Service Pensions Act 2013, is to –
  - a) Assist the Council as Scheme Manager:
    - i. to secure compliance with the Local Government Pension Scheme (LGPS) Regulations and any other legislation relating to the governance and administration of the LGPS;
    - ii. to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator;
    - iii. in such other matters as the LGPS Regulations may specify.
  - b) Secure the effective and efficient governance and administration of the LGPS of the Suffolk Pension Fund

### **Membership of Pension Board**

14. The Board will consist of six members - three Pension Fund employer representatives, and three Pension Fund member representatives. No Board member may also be a member of the Pension Fund committee.

15. The Council will arrange for the selection of the employer and member representatives, ensuring that any vacancies are advertised appropriately in order to provide an opportunity for all to apply, including those from minority groups.

### **Operational Procedures**

16. The Pension Board is to effectively and efficiently comply with the code of practice on the governance and administration of public service pension schemes.
17. The Pension Board will also help ensure that the Suffolk Pension Fund is managed and administered effectively and efficiently and complies with guidance issued by the Pension Regulator.
18. The Pension Board will receive regular training to enable Board members to make effective decisions and be fully aware of their statutory and fiduciary responsibilities and their stewardship role.
19. The Pension Board shall have access to the Council, Pension Fund committee, or any other body or officer that it considers appropriate, in order to fulfil its obligations.

### **Responsibilities of the Section 151 Officer (Chief Financial Officer)**

20. The Council's Chief Financial Officer, the responsible financial officer under section 151 of the Local Government Act 1972, is responsible for all arrangements concerning the Pension Fund within the scope of the policies that are approved by the Pension Fund committee.
21. The Chief Financial Officer will ensure that the Pension Fund complies with the regulations governing the administration and the investment of the Local Government Pension Fund Scheme as amended from time to time by the Secretary of State for the Ministry of Housing, Communities and Local Government.
22. The Chief Financial Officer will ensure that the Pension Fund complies with Council's Financial Regulations.
23. The Chief Financial Officer has delegated responsibility for the implementation of the CIPFA Code of Practice

### **ACCESS Investment Pool**

24. The Pension Fund is committed to pooling its assets as per the Governments requirements laid out in the Local Government Pension Scheme: investment reform criteria and guidance.

25. The Pension Fund is a member of ACCESS (A Collaboration of Central, Eastern and Southern Shires) which is made up of 11 LGPS Administering Authorities who are committed to working together to optimise benefits and efficiencies on behalf of their individual and collective stakeholders, operating within a clear set of objectives and principles that drives the decision making process.
26. The ACCESS Pool is not a legal entity in itself but is governed by an Inter Authority Agreement signed by each Administering Authority. The Inter Authority Agreement sets out the terms of reference and constitution of ACCESS.
27. The formal decision-making body within the ACCESS Pool is the Joint Committee. The Joint Committee has been appointed by the 11 Administering Authorities under s102 of the Local Government Act 1972, with delegated authority from the Full Council of each Administering Authority to exercise specific functions in relation to the Pooling of Pension Fund assets.
28. The Joint Committee is responsible for ongoing contract management and budget management for the Pool and is supported by the Officer Working Group and the ACCESS Support Unit (ASU).
29. The Officer Working Group are officers representing the Administering Authorities whose role is to provide a central resource for advice, assistance, guidance and support for the Joint Committee.
30. The ACCESS Support Unit (ASU) provides the day-to-day support for running the ACCESS Pool and has responsibility for programme management, contract management, administration and technical support services. The permanent staff roles within the ASU are employed by the Host Authority (Essex) with additional technical support from Officers of the ACCESS Pension Funds.
31. The Section 151 Officers of each authority provide advice to the Joint Committee and in response to decisions made by the Joint Committee ensure appropriate resourcing and support is available to implement the decisions and to run the ACCESS Pool.
32. Strategic oversight and scrutiny responsibilities remain with the Administering Authorities as does all decision making on their individual Funds asset allocation and the timing of transfers of assets from each Fund into the arrangements developed by the ACCESS Pool.