

Suffolk Pension Fund Business Plan 2020-21



SUFFOLK PENSION FUND COMMITTEE

BUSINESS PLAN 2020/21

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 Housing, 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 (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 2020/21

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.
13. The re-procurement or extension of the Investment Advice service for the Fund will be completed in 2020/21, depending on the timing and availability of a national framework.

Monitoring of Investment Performance

14. 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

15. The Committee will continue to monitor the actuarial position of the Fund on a quarterly basis.
16. The re-procurement or extension of the Actuarial services for the Fund will be completed in 2020, depending on the timing and availability of a national framework.
17. A review of the options for dealing with the cost of ill health retirement costs for employers will be completed in 2020/21.

Governance

18. 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.
19. 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.
20. 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.
21. The Committee will keep the Fund's risk register under review.

Reporting and Communication

22. The Committee will report on performance to the Fund employers in September 2020. The Committee will publish the Fund's Annual Report and Accounts for 2019/20 in September 2020.
23. 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

24. Start the implementation of I-Connect software to facilitate monthly transfer of data from employers.
25. Continue to improve the use of Member Self Service and further electronic communication opportunities with scheme members.
26. Review the functionality and content of the Fund's website in order to improve its usefulness to scheme members.
27. Consider further data improvements and the potential data implications of the McCloud case.
28. Any necessary changes to member benefit payments caused by the completion of the Guaranteed Minimum Pension (GMP) reconciliation will be completed during 2020.
29. 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

30. 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 2021 meeting.