

Suffolk Pension Board

(Quorum 2 – 1 member of each representative group)

Scheme Employer Representatives

Councillor Richard Smith MVO, representing Suffolk County Council.

John Chance, representing all Borough, District, Town and Parish Councils.

Thomas Jarrett, representing all other employers in the Fund.

Scheme Member Representatives

Suzanne Williams, representing the Unions.

David Rowe, representing Active Members.

Eric Prince, representing Pensioners.

Date: Wednesday, 13 March 2019

Venue: Rose Room
Endeavour House
8 Russell Road
Ipswich, Suffolk, IP1 2BX

Time: 3:00 pm

Business to be taken in public

1. **Apologies for Absence and Substitutions**
To note and record any apologies for absence or substitutions received.
2. **Declarations of Interest and Dispensations**
To receive any declarations of interests, and the nature of that interest, in respect of any matter to be considered at this meeting.
3. **Minutes of the Previous Meeting** Pages 5-9
To approve as a correct record, the minutes of the meeting held on 14 December 2018.
4. **Overseas Existence Service** Pages 11-12
To receive a report on the progress of the overseas existence check, undertaken by Western Union.
5. **Pensions Administration Performance** Pages 13-15
To receive a report summarising the compliments, complaints and administration performance of the Fund.
6. **Pension Board Risk Register** Pages 17-22
To review the Pension Board Risk Register.
7. **Pension Board Training Programme** Pages 23-38
To consider the training programme for the Board for 2019.
8. **Information Bulletin** Pages 39-40
To receive an information bulletin on some recent developments that will be of interest to the Board.
9. **Forward Work Programme** Pages 41-43
To consider whether there are any matters which the Board would wish to have included in its Forward Work Programme.

Business to be taken in private

10. **The Board is invited to consider whether the public (including the press) should be excluded from the meeting** during consideration of agenda items 11 and 12 (as per paragraph 31 in the Rules of Procedure) pursuant to Section 100(A) of the Local Government Act 1972 (as amended) on the grounds that:
- a) they involve the likely disclosure of exempt information as detailed in paragraph 3 (information relating to the financial or business affairs of any particular person, including the authority holding that information) of Parts 1 to 3 of Schedule 12A, as amended, of the Local Government Act 1972 (as amended); and
 - b) that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

11. **Pooling Update** Pages 45-64

To receive an update on the progress of the development of the ACCESS Pool and draft response to MHCLG consultation.

12. **Pensions Regulator** Pages 65-68

To receive an update on the discussions with the Pensions Regulator.

Date of next scheduled meeting – Tuesday, 23 July 2019 at 2:00 pm.

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Democratic Services, Suffolk County Council, Endeavour House, 8 Russell Road, Ipswich, Suffolk IP1 2BX.

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Nicola Beach
Chief Executive

Minutes of the Suffolk Pension Board Meeting held on 14 December 2018 at 3:00 pm in the Rose Room, Endeavour House, Ipswich.

Present: Councillor Richard Smith MVO (Chairman) (representing Suffolk County Council), Eric Prince (representing Pensioners), David Rowe (Vice Chairman) (representing Active Members) and Suzanne Williams (representing the Unions).

Supporting officers present: Rebekah Butcher (Democratic Services Officer), Paul Finbow (Senior Pensions Specialist), Stuart Potter (Pensions Operations Manager) and Sharon Tan (Pensions Technical Specialist).

21. Apologies for Absence and Substitutions

Apologies were received from Thomas Jarrett (representing all other employers in the Fund) and John Chance (representing all Borough, District, Town and Parish Councils). There were no substitutions.

22. Declarations of Interest and Dispensations

Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

23. Minutes of the Previous Meeting

The minutes of the meeting held on 4 October 2018 were confirmed as a correct record and signed by the Chairman.

Suzanne Williams entered the meeting at 3:13 pm.

24. Administration Data requirements for Actuarial Valuation

At Agenda Item 4, the Board received a report which provided Members with a review of the actuarial valuation process for the March 2019 valuation and an opportunity to consider improvements.

The Board were informed that for this valuation, Hymans Robertson had agreed to an alternative process for Suffolk which would provide a shorter timescale between receiving the whole fund result and those for each individual employer. This alternative process had been agreed at a reduced cost to what was originally offered. A Member remarked on the high awareness of officers in Suffolk in providing best value for the Suffolk Pension Fund.

In response to a Member's question about the post-Brexit economy, the Board heard that the Actuary did not estimate the value of the Fund's assets; whatever they were valued at on 29 March 2019 would be the final value for the valuation. Should there be a big sell-off, it would definitely affect the value of assets on the

valuation date. However, this did not necessarily feed through to contribution rates as the actuary takes a longer term view.

Members noted the potential impact on the Pensions Administration team Service Level Agreements due to the resource required to complete the valuation work.

Decision: The Board noted the helpful report and:

- a) requested an Information Bulletin update item to be provided at its 13 March 2019 meeting; and also
- b) requested a further update after the Actuarial Valuation exercise to see if the revised process achieved all of the outcomes expected.

Reason for decision: The Board was keen on seeking improvements in administrative procedures to ensure accurate data is used in the valuation process and that employers are actively engaged.

Alternative options: There were none considered.

Declarations of interest: Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

Dispensations: There were none granted.

25. Voting Guidelines

The Board considered a report at Agenda Item 5 which set out the voting policy for shares held in the name of the Suffolk Pension Fund and the voting policy of ACCESS that will be utilised when the Fund has invested in the ACCESS equity sub-funds.

Members congratulated Suffolk for its comprehensive and reasonable voting guidelines and were pleased ACCESS had based its policy on the Suffolk and Norfolk guidelines.

Decision: The Board noted the report.

Reason for decision: The Board has received the Governance Policy and Governance Compliance Statement to fulfil its remit to secure the effective and efficient governance and administration of the Suffolk Pension Fund and wished to review the voting guidelines of the Fund.

Alternative options: There were none considered.

Declarations of interest: Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

Dispensations: There were none granted.

26. Appointment process for Scheme Member Board Representatives

At Agenda Item 6, the Board received a report which outlined the appointment process to be followed for electing scheme member representatives.

Members raised a concern on the validity of a Monitoring Officer to make an appointment on the behalf of scheme members when their role was to effectively support the employer. In response, the Board were informed that it was the duty of the Monitoring Officer to ensure impartiality and that the Council's Monitoring Officer was a member of the Fund.

Decision: The Board noted the process and agreed that it was appropriate for the appointment of scheme member and pensioner representatives for the future, with the proviso that the two Monitoring Officers on the interview panel were members of the Suffolk Pension Fund.

Reason for decision: The Board were interested in ensuring an appropriate and fair process was in place to appoint scheme members to the Board.

Alternative options: There were none considered.

Declarations of interest: Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

Dispensations: There were none granted.

27. Compliments, Complaints and Administration Performance

The Board considered a report at Agenda Item 7 which provided Members with an update on the performance of the Pensions Administration Team. This report also included details of compliments and complaints and an update on the quarter 2 contribution payments from employers.

A Member asked how the Pensions Regulator would feedback from a recent meeting in which they selected Suffolk's administration team for a visit. The Board were informed they were expecting a response in the form of a letter.

Members also heard that there were presently three vacancies within the team. In response to a Member's question, officers confirmed they would try to reassign experienced pensions administration staff to cover the gaps and fill one post with a finance person (potentially an apprentice) to cover the support to the Technical Pension Specialist.

With the agreement of the Board, the Chairman confirmed his wish to meet with the Administration team in the New Year to thank them for their hard work.

Decision: The Board noted the report and requested the response from the Pensions Regulator be shared with Members as an appendix to the Administration Report at 13 March 2019 meeting.

Reason for decision: The Board was interested in being provided with regular updates on the performance of the Pensions Administration Team including updates on statutory requirements and Service Level Agreements.

Alternative options: There were none considered.

Declarations of interest: Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

Dispensations: There were none granted.

28. Suffolk's Progress on Pooling of Assets

At Agenda Item 8, the Board received a verbal update on the progress of the ACCESS pool.

Members heard that the first sub-fund launched on 16 November and £1.4 billion had been transferred, although it did not include Suffolk's money at this stage. On Monday 10 December, approval was received for the next seven sub-funds. These would be funded by the end of January/early February. The next set would be open and funded by the end of April/early May. With this, 12 sub-funds were underway, and officers were currently working on the pipeline for the next tranche to be submitted to the Financial Conduct Authority (FCA), presumably in March/April time. Members were informed that only one set of applications could be submitted to the FCA at any one time, so the window for submitting applications opened every two to three months.

It was also noted that Councillor Andrew Reid (Chairman of ACCESS and the Suffolk Pension Fund Committee) had attended an update meeting with the Minister for Housing, Communities and Local Government in November with some of the other ACCESS funds chairmen. The outcome was positive with ACCESS being congratulated for the progress made to date.

In relation to recruiting to the new posts for the ACCESS Support Unit, the Board were informed that the appointment of a Programme Director had not been successful. The post would be re-advertised with the help of a recruitment agency. However, Members heard that ACCESS had been successful in appointing a Contract Manager who had started at the beginning of December. They would gradually start to take over some of the work the officers had been doing, particularly the work of the Senior Pensions Specialist who had been a key contact with Link.

Board Members also heard that ACCESS were trying to secure a technical resource. A nomination process started at the beginning of December and five individuals had been put forward, and this included Suffolk's own Pensions Technical Specialist. The posts would be part time and would be funded by all 11 schemes in ACCESS. Officers from all the schemes had been backfilling these duties anyway; this would be formalising the process. It was hoped that those involved would be informed at the end of January/early February.

29. Pension Board Training Programme

At Agenda Item 9, the Board received a report which outlined suggested areas of training for Board Members to gain the necessary knowledge and understanding to fulfil their role.

Decision: The Board agreed to defer the item until 13 March 2019 meeting in order to take the new Board Members' views into account.

The Board also confirmed that today's training session: 'Roles and Responsibilities for the Suffolk Pension Fund', would be undertaken on 13 March to allow the new Members to benefit from the training.

Reason for decision: To comply with the Pensions Regulators requirements, Members of the Pension Board must be able to demonstrate that they have the required knowledge and understanding of Local Government Pension Scheme (LGPS) issues.

Alternative options: There were none considered.

Declarations of interest: Eric Prince, Councillor Richard Smith MVO and Suzanne Williams declared a non-pecuniary interest by virtue of the fact they were each in receipt of a local government pension.

David Rowe declared a non-pecuniary interest by virtue of the fact he was an active member of the pension scheme.

Dispensations: There were none granted.

30. Information Bulletin: recent developments

The Board received an Information Bulletin at Agenda Item 10.

31. Forward Work Programme

At Agenda Item 11, the Board received a copy of its Forward Work Programme.

Decision: The Board agreed the Forward Work Programme with the inclusion of the following items:

- a) an update on the Administration Data requirements for Actuarial Valuation, provided as an Information Bulletin item – 13 March 2019; and
- b) to consider the Pension Board Training Programme, deferred from 14 December to 13 March 2019.

Reason for decision: The Forward Work Programme was the responsibility of the Board under its Terms of Reference.

The meeting closed at 4:30 pm.

Chairman

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Suffolk Pension Board

Report Title:	Overseas Existence Service
Meeting Date:	13 March 2019
Chairman:	Councillor Richard Smith MVO
Director:	Chris Bally, Deputy Chief Executive and Director of Corporate Services
Assistant Director or Head of Service:	Louise Aynsley, Head of Finance (S151 Officer)
Author:	Stuart Potter, Pensions Operations Manager, Telephone: 01473 260295

Brief summary of report

1. This report provides the Pension Board with an overview of the Western Union Existence project, to verify our Pensioners who live overseas, and includes the processes and timescales around this.

Action recommended

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| 2. To consider the information provided and determine any further action. |
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Reason for recommendation

3. To provide the Board with an overview of the Western Union existence project to verify our Pensioners who live overseas.

Alternative options

4. There are no alternative options.

Main body of report

5. In the United Kingdom we are able to establish the status of our members more easily than those who live abroad. This includes using the national fraud initiative data and death notifications are received through 'Tell Us Once'. However, for those pensioner members who live abroad we have not previously had a method to fully validate our members. This solution allows us to do this.
6. This project is a one-off exercise to validate our Overseas Pensioners. The successful completion of this project will allow us to ensure we are paying the correct beneficiaries, reducing the risk of any fraud and allow ourselves to be satisfied that the data and information we hold on our Pensioner Members who live abroad is up-to-date.
7. All member detail has been provided to Western Union and a data cleanse has been run against this information. This process assigned each Pensioner Member a number and the nearest agent location. For information, all but three members included in the project are within 10km of their nearest agent.

8. There are 10 pensioner members in countries that are not supported by Western Union, meaning they are unable to be included as part of the project. However, we will be contacting all of these Pensioners asking for them to complete a life certificate, so we have at least made contact with them. The places not supported are Gibraltar, Guernsey, Tunisia and South Africa.
9. All included Pensioner members (224) have been written to in early March explaining the process and what is required from them. Our Pensioner Members need to visit their local agent and provide their identification and unique reference number (which is contained on their letter). This is not a set time appointment but one the member can make at a convenient time for themselves before 30 April.
10. Once this verification has happened, members will receive a £10 equivalent 'goodwill' gesture payment from the agent.
11. Western Union will notify us of the results from this first letter confirming who has attended the agent and been verified.
12. During April, a reminder letter will be issued to any members who have not responded to their original letter.
13. If there is no response to either letter, these members will have their pension payments suspended from May 2019. These payments will be reinstated when members make contact with us and we satisfactorily complete our checks.
14. The cost of the project, for all members to attend their agent and be validated, is expected to be £7,840.
15. A full report will be provided to the Board outlining the findings from this project at the next Board meeting.

Sources of further information

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| a) None. |
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Suffolk Pension Board

Report Title:	Pensions Administration Performance
Meeting Date:	13 March 2019
Chairman:	Councillor Richard Smith MVO
Director:	Chris Bally, Deputy Chief Executive and Director of Corporate Services
Assistant Director or Head of Service:	Louise Aynsley, Head of Finance (S151 Officer)
Author:	Stuart Potter, Pensions Operations Manager, Telephone: 01473 260295

Brief summary of report

1. This report provides the Pension Board with an update on the performance of the Pensions Administration Team. This report also includes details of compliments and complaints, previously a separate paper, as requested by the Board.

Action recommended

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| 2. To consider the information provided and determine any further action. |
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Reason for recommendation

3. To provide the Board with regular updates on the performance of the Pensions Administration Team including updates on statutory requirements and Service Level Agreements.

Alternative options

4. There are no alternative options.

Main body of report

5. This report covers staff performance and team achievements since the previous Board meeting on 14 December 2018.
6. The Service Level Agreements (SLA) for our 'key' processes between November 2018 and January 2019 are shown below:
 - a) Provision of a transfer quote to scheme members within 10 days of the receipt of the estimated value and all necessary information – Total cases **56**, percentage completed in SLA **100%**
 - b) Estimates are issued to members or employers within 10 working days of receipt of all information – Total cases **128**, percentage completed in SLA **100%**

- c) Retiring employees are notified of their options within 5 working days of receipt of all information – Total cases **350**, percentage completed in SLA **100%**
 - d) Retirement lump sums will be paid within 10 working days of receipt of all necessary information after retirement – Total cases **194**, percentage completed in SLA **100%**
 - e) Notification of survivor benefits will be issued within 10 working days of receipt of all information – Total cases **129**, percentage completed in SLA **100%**
 - f) Outstanding monies owed in respect of a deceased pension, and any death grant, will be paid within 10 working days of receipt of all information – Total cases **154**, percentage completed in SLA **99%**
7. The Payroll migration project is progressing on schedule. The payroll specification was completed and signed off at the end of December and we are now in the process of obtaining the initial full data cuts to provide to Heywood by 29 March.
 8. The project to complete the digitalisation of the microfiche has now been completed.
 9. There were some amendment regulations that came into effect on 10 January. These changes ensure that deferred members who left the scheme before 1 April 1998 can elect to have their benefits into payment at any age from 55. Members who became deferred between 2 May 1995 and 31 March 1998 (under 1995 regulations) do not need to have left their employment to receive these benefits, provided they have opted out of the scheme.
 10. Changes have also been made to survivor benefits which align the payment of pensions to surviving civil partners and same sex spouses with those paid to widows/widowers. These changes will be communicated to members by 10 April as required by legislation.
 11. Since the update at the last Board meeting there have been four compliments. Three of these were thanks from individuals for the service they had received including the words from one member: 'impressed with ...very speedy, professional and really helpful response'. The other compliment was thanking the whole team for their help and work throughout the year, stating we: 'are a credit to SCC'.
 12. During this time there has been one complaint. This complaint was from the HR department at an employer with regards to the service they had received from the team. We have visited the employer and had a productive meeting capturing agreed improvements to the processes and escalation points for both the employer and the pensions team. This should significantly reduce the risk of frustrations for all of us.
 13. In addition, there have been three IDRPs cases. The first stage 1 IDRPs complaint was in relation to a member who was not considered for ill-health retirement by the employer, despite an Occupational Health Advisor suggesting this should be considered. The Stage 1 response has therefore recommended the case is reviewed and referred to Occupational Health to enable an informed decision to take place. This process is underway.

14. The second IDRП complaint was in relation to a member who wasn't happy they had not been awarded an ill-health deferred pension by the employer. While the Stage 1 decision maker was satisfied that the correct decision was made, based on the information made available to them, a recommendation was made for a new independent assessment to be undertaken by Occupational Health. This is currently being arranged for the member.
15. The third IDRП complaint was in relation to a member who in 2015 was incorrectly provided with an earlier retirement date for accessing their pension without reduction on one communication. The complaint was not upheld however the member progressed this complaint to Stage 2. Following a Stage 2 investigation the complaint was again not upheld. The member can take their case to the Pensions Ombudsman now if they wish.
16. This report will be ongoing in all future Board meetings and will be developed in accordance with the requirements of the Board.

Contribution payments

17. The administration strategy requires contributions from employers to be received by the Pension Fund within 5 working days of the month end in which the contributions were deducted. The table below summarises the timeliness of receipts received in during 2018/19 quarter 3:

	Quarter 2			Quarter 3		
	Employer	Contributions		Employer	Contributions	
	%	£'000	%	%	£'000	%
On Time	88	28,776	98	86	26,323	93
Up to 1 week late	5	172	1	6	685	2
Over 1 week late	7	476	1	8	1,371	5
Total		29,424			28,379	

18. The contribution totals are higher in Quarter 2 due to the annual deficit invoices being raised for those employers who elect not to pay on a monthly basis.
19. The decrease in collection rates in Q3 relates to Vertas and School's Choice (which is now joined with Vertas).

Sources of further information

- a) None.

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Suffolk Pension Board

Report Title:	Pension Board Risk Register
Meeting Date:	13 March 2019
Chairman:	Councillor Richard Smith MVO
Director:	Chris Bally, Deputy Chief Executive and Director of Corporate Services
Assistant Director or Head of Service:	Louise Aynsley, Head of Finance (S151 Officer)
Author:	Paul Finbow, Senior Pensions Specialist, Telephone: 01473 265288

Brief summary of report

1. This report sets out the Risk Register for the Pension Board as approved on 4 October 2018 and how the risk control measures have been implemented against the risks.

Action recommended

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| <ol style="list-style-type: none"> 2. The Board is asked to review the implementation of the risk control measures. 3. The Board is asked to review and approve the Pension Board Risk Register. |
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Reason for recommendation

4. Risk management is a key responsibility of those charged with Pension Fund governance with a duty to identify the range of risks that could affect the long term sustainability of the Fund.
5. The effective management of risk is also an area which is covered within the CIPFA Knowledge and Skills framework which recognises the importance of having an understanding of the risks that could have an impact on the Pension Fund and what steps can be taken to mitigate such risks.

Alternative options

6. There are no alternative options.

Main body of report

Regulatory Background

7. The need for effective risk management is reflected throughout guidance and regulation in the Local Government Pension Scheme (LGPS), in the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 paragraph 12(2c) and in the CIPFA publication "Managing Risk in the Local Government Pension Scheme" (2019). The Pensions Regulator published regulatory guidance in December 2015 entitled "Integrated Risk Management".

Implementation of Risk Control Measures

8. A summary of how the risk control measures in the risk register have been implemented or reviewed is set out in **Appendix 1**.

Risk Register

9. The purpose of the risk register is to reflect best practice in the identification, evaluation and control of risks in order to ensure that key risks are recognised, and then either eliminated or reduced to a manageable level. If neither of these options is possible then means to mitigate the implications of the risks should be established.
10. The probability and risk impact scores have been scored based on the submissions from the members of the Board using the following criteria:
- a) The impact of each risk has been assessed as:
 - i) Insignificant (1)
 - ii) Minor (2)
 - iii) Moderate (3)
 - iv) Major (4)
 - v) Extreme (5)
 - b) The risk has then been assessed on the probability of the risk occurring.
 - i) Rare (1)
 - ii) Unlikely (2)
 - iii) Possible (3)
 - iv) Likely (4)
 - v) Almost certain (5)
 - c) This has been used to allocate a risk score (multiplication of the score value in brackets above) to each risk which produces one of the risk ratings as follows:
 - i) Low (1-4)
 - ii) Medium (5-9)
 - iii) High (10-15)
 - iv) Very High (16-25)
11. The risk register for the Pension Board to approve is attached as **Appendix 2**.
12. The risk register and actions taken to mitigate or control the risks are reported to the Board twice a year.

Sources of further information

- a) The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (S.I. 2009 No.3093).
- b) Managing Risk in Local Government Pensions Funds – CIPFA 2019.
- c) Integrated Risk Management – Pensions Regulator 2015.

Suffolk Pension Board Risk Register

Risk ID	Risk	Risk Control Measures	Implementation
SPB01	<p>Employer Employers' failure to carry out their responsibilities for paying contributions and providing information required for the administration team to fulfil their responsibilities.</p>	<p>An effective Administration Strategy setting out the employers responsibilities.</p> <p>Monitoring and reporting of the compliance of the employers.</p> <p>Vetting prospective employers in regards to financial security of funding streams. Seeking a funding guarantee or indemnity from the former scheme employer. Review to ensure Bonds are renewed when expiring and reflect current employer position.</p> <p>Non compliance is addressed.</p>	<p>The Administration strategy is reviewed every three years. It was last approved by the Pension Fund Committee at its meeting on 27 November 2018. A link was sent to all employers. The document is available on the Pension Fund website.</p> <p>Timeliness of contribution payments are reported to the Pension Board on a quarterly basis. Administration compliance is reported in the Annual Report.</p> <p>Prospective employers (where a government guarantee doesn't apply) are required to secure either a guarantee or a bond to provide security for the pension liabilities of their members. Bonds are reviewed annually to reflect the current employer position. Eligible Employers are not able to access the Suffolk Pension Fund without providing a bond or guarantee.</p> <p>Engagement is the key to ensure compliance and the administration team have had meetings with Vertas to ensure timely receipt of information and have also been corresponding with EPM who now provide payroll services to 40 of the employers, to help them make amendments to their annual membership data returns to streamline their end of year process and to improve the timeliness and accuracy of the data sent in.</p>
SPB02	<p>Scheme Members Scheme members are not in receipt of the correct benefit and/or paid on time.</p>	<p>The Pensions Administration team are required to keep up to date with pension benefit regulation and adhere to the stringent procedures required to comply with the benefits regulations.</p> <p>Knowledge and understanding is kept up to date by attending the relevant training courses on offer by professional bodies.</p> <p>Calculations are independently checked and verified.</p> <p>Internal and external audit review the internal control arrangements in place.</p>	<p>Changes to the LGPS: There were changes to the Local Government Pension Scheme Regulations in December 2018 which have been communicated to the Administration Team.</p> <p>Regulation changes are communicated to affected members within the statutory 3 months. The changes from the 14 May 2018 regulation amendments were communicated by 13 August 2018, and the latest changes will be communicated before 9 April 2019 (and as soon as Local Government Association guidance on communicating the changes has been received).</p> <p>Attendance at training courses and conferences are encouraged, with the knowledge gained shared amongst the team to ensure the team as a whole is kept up to date. Each month the Administration Team receives refresher training on a different component of calculations which helps to consolidate understanding.</p> <p>All calculations are peer reviewed by members of the Administration team for accuracy before communications are sent out. There have also been various factor changes from October to February. These have been loaded to the pensions software system after they were provided by the software provider in a loadable format.</p> <p>If the pension system is found to be producing incorrect calculations this is raised with the software provider to investigate. There have been 21 calculations that have needed to be referred to the software provider for further investigation in the last year. The Administration Team are made aware of the issues and where similar cases might arise.</p> <p>Internal audit annually review the internal control arrangements in place for the administration systems and investments, the result are reported to the Board. The Board also receives the external audit report for the Annual Report and Accounts. The results of the investment audit was reported to the Board at its meeting on 14 December 2018, the administration audit is currently underway.</p>

Risk ID	Risk	Risk Control Measures	Implementation
SPB03	<p>Governance Failure to communicate or engage with employers and scheme members.</p>	<p>An effective Communications Strategy so that employers are engaged with the Pension Fund.</p> <p>Regular communications to employers on LGPS matters are provided by Pension Fund officers in the form of newsletters and bi-annual employer meetings.</p> <p>Regular meetings are held by the Pension Board with the papers published within statutory deadlines.</p> <p>A range of communication tools are available to enable effective communication such as newsletters, pension help desk, pensions website.</p> <p>An annual employers meeting is held.</p>	<p>The Communication strategy is reviewed annually. It was last approved by the Pension Fund Committee at its meeting on 23 July 2018. The document is available on the Pension Fund website.</p> <p>A new style Pension Matters newsletter was sent out to employers in January 2019 to keep them updated with the Local Government Pension Scheme and Suffolk Pension Fund developments covering the new opt up and leavers forms, new fair deal policy, GDPR, encouragement for sign up to self service, annual return requirements and links to the revised administration strategy.</p> <p>The Pension Board meets regularly and the papers are published on the Pension Fund website. The Board has access to the Pension Fund officers and have the opportunity to seek clarification or request further information.</p> <p>The team issue newsletters to Pensioner members of the scheme twice a year. Employers receive communications and newsletters on a regular basis. Information is provided to all active and deferred scheme members annually with the provision of their Benefit statements.</p> <p>Members of the Administration Team will attend pre-retirement courses for members to provide them with information regarding the retirement process from a pensions perspective.</p> <p>During 2017 the Pensioner Member Self Service system was introduced allowing current members to view their pension records, update personal details and complete their own pension projections. The Annual statements were issued on this system in 2018 (unless another format has been requested).</p> <p>The Pensions website is reviewed and kept up to date with useful information and the Pensions Helpdesk is available for members to contact if they need some guidance.</p> <p>The Annual employers meeting was held on 21 September with attendance of around 20 representatives from employers.</p>
SPB04	<p>Governance Pension Fund Board members do not have the appropriate skills or knowledge to discharge their responsibility.</p>	<p>The Board has adopted the CIPFA Pensions Knowledge and Skills Framework as the basis for assessing its training and development needs.</p> <p>The Board approves a formal two year training plan which is designed to cover the Board's responsibilities. This is reviewed annually and updated to include new topics of interest and any additional training requirements identified.</p> <p>Pension Fund officers report on the statutory requirements of the Fund and any breaches that may have occurred.</p> <p>New Board members are fully briefed by a Pension Fund officer to enable them to participate in meetings.</p> <p>External advisers are employed to advise the Pension Fund Board as required.</p>	<p>The Board agrees its Training plan annually, linked to the requirements of the CIPFA Pensions Knowledge and Skills framework. The next review is at the March 2019 Board meeting. The Board also has access to the Pension Fund Committee's training programme. In September 2018 three members of the Board attended the Pension Fund training day in London.</p> <p>The administration report to the Board provides information on the adherence to statutory requirements and would report any breaches.</p> <p>New Board Members always receive an introduction to the scheme and a briefing from officers before attending their first meeting.</p> <p>Advisers do attend meetings, at the request of the Board. The performance data providers presented to the Board at its 23 July 2018 meeting</p>

Suffolk Pension Fund Risk Register

Risk ID	Risk	Impact	Prob	Risk Score	Risk Rating	Risk Control Measures
SPB01	<p>Employer Employers' failure to carry out their responsibilities for paying contributions and providing information required for the administration team to fulfill their responsibilities.</p> <p><u>Consequence</u> Could lead to incorrect information being used to make decisions in regards to the employer and the Pension Fund as a whole.</p> <p>The financial burden would have to be picked up by the rest of the employers in the Pension Fund.</p>	3	2	6	Medium	<p>An effective Administration Strategy setting out the employers responsibilities.</p> <p>An effective Communications Strategy so that employers are engaged with the Pension Fund.</p> <p>Monitoring and reporting of the compliance of the employers.</p> <p>Vetting prospective employers in regards to financial security of funding streams. Seeking a funding guarantee or indemnity from the former scheme employer. Review to ensure Bonds are renewed when expiring and reflect current employer position.</p> <p>Non compliance is addressed.</p>
SPB02	<p>Scheme Members Scheme members are not in receipt of the correct benefit and/or paid on time.</p> <p><u>Consequence</u> Additional administration time required to correct any errors. Reputational risk to the Suffolk Pension Fund and Suffolk County Council.</p>	3	2	6	Medium	<p>The Pensions Administration team are required to keep up to date with pension benefit regulation and adhere to the stringent procedures required to comply with the benefits regulations.</p> <p>Knowledge and understanding is kept up to date by attending the relevant training courses on offer by professional bodies.</p> <p>Calculations are independently checked and verified.</p> <p>Internal and external audit review the internal control arrangements in place.</p>

Risk ID	Risk	Impact	Prob	Risk Score	Risk Rating	Risk Control Measures
SPB03	<p>Governance Failure to communicate or engage with employers and scheme members.</p> <p><u>Consequence</u> Leading to non compliance with legislation and best practice. Inability to determine policy and effective decisions. Damaging to reputation.</p>	3	3	9	Medium	<p>Maintenance and implementation of a communication strategy.</p> <p>Regular communications to employers on LGPS matters are provided by Pension Fund officers in the form of newsletters and bi-annual employer meetings.</p> <p>Regular meetings are held by the Pension Board with the papers published within statutory deadlines.</p> <p>A range of communication tools are available to enable effective communication such as newsletters, pension help desk, pensions website.</p> <p>An annual employers meeting is held.</p>
SPB04	<p>Governance Pension Fund Board members do not have the appropriate skills or knowledge to discharge their responsibility.</p> <p><u>Consequence</u> The Board does not discharge their duties to oversee the governance of the Pension Fund. Reputational risk to the Suffolk Pension Fund.</p>	3	3	9	Medium	<p>The Board has adopted the CIPFA Pensions Knowledge and Skills Framework as the basis for assessing its training and development needs.</p> <p>The Board approves a formal training plan which is designed to cover the Board's responsibilities. This is reviewed annually and updated to include new topics of interest and any additional training requirements identified.</p> <p>Pension Fund officers report on the statutory requirements of the Fund and any breaches that may have occurred.</p> <p>New Board members are fully briefed by a Pension Fund officer to enable them to participate in meetings.</p> <p>External advisers are employed to advise the Pension Fund Board as required.</p>

Suffolk Pension Board

Report Title:	Pension Board Training Programme
Meeting Date:	13 March 2019
Chairman:	Councillor Richard Smith MVO
Director:	Chris Bally, Deputy Chief Executive and Director of Corporate Services
Assistant Director or Head of Service:	Louise Aynsley, Head of Finance (S151 Officer)
Author:	Paul Finbow, Senior Pensions Specialist Telephone: 01473 265288

Brief summary of report

1. This report outlines areas of training for Board Members to gain the necessary knowledge and understanding to fulfil their Board role.

Action recommended

- | |
|--|
| <ol style="list-style-type: none"> 2. The Board is asked to consider and agree the content of the training programme for the coming year. |
|--|

Reason for recommendation

3. To comply with the Pensions Regulators requirements, members of the Pension Board must be able to demonstrate that they have the required knowledge and understanding of LGPS issues.

Alternative options

4. There are no alternative options.

Main body of report

5. At the Pension Board meeting on 20 December 2017, the Board considered its need for training and agreed a one-year training programme.
6. **Appendix 1** shows a record of training that has been undertaken by members of the Suffolk Pension Board since December 2017. This training was developed with the Knowledge and Skills Framework issued by CIPFA for local pension board members.
7. A reminder of the Framework and in particular the specific areas of knowledge the Board should attain is provided in **Appendix 2**.
8. It has been agreed that should Board Members wish to attend pre-Pension Fund Committee training, then they are welcome to do so, but that they should let

Committee Services (Rebekah Butcher) know in advance of the meeting. A copy of the Pension Fund Committee's training plan is attached at **Appendix 3**.

9. The Board will have its own pre-Board training session, starting at 10am before each Board meeting.
10. Three Board Members completed the National Confidence Assessment survey undertaken by Hymans Robertson this summer. The output of this is shown in **Appendix 4**. The scores relate to levels of confidence, with 1 equalling "not confident" and 4 being "completely confident". On the whole the results are positive and compare favourably with the scores of other boards.
11. Taking into consideration the survey results and the changes in Board Members, the Board are asked to consider a minimum of three topics which they would like to receive pre-Board training on for 2019.
12. A further half or whole day training session will be scheduled during 2019 should the Board identify further topics that could be covered in more depth.
13. Pre-Board Training for 2019 will be delivered before the start of the March, October and December meetings.
14. The Board meeting in July will be held on 23 July at 2pm. The Pension Fund Committee will meet in the morning and the performance provider will present investment return analysis to both the Committee and the Board. No training will be provided to the Board on that day.

Sources of further information

- a) Local Government Pension Scheme (LGPS) – Guidance on the creation and operation of Local Pension Boards in England and Wales.
- b) The Pensions Regulator Code of practice no. 14 Governance and administration of public service pension schemes.
- c) CIPFA Knowledge and Skills Framework for Local Pension Board members.

Pension Board Training Log

Date	Description of training undertaken	Delivered by	Richard Smith	Homira Javadi	Marie McCleary	David Rowe	Eric Prince	Suzanne Williams	Thomas Jarrett	John Chance
	New Board Member Induction Training	Paul Finbow							✓	✓
20/12/2017	Funding the Pension Scheme - A balancing Act	Paul Finbow	✓	✓	✓	✓	✓	✓		
06/04/2018	Pooling - The Development of the ACCESS Pool	Paul Finbow	✓		✓	✓	✓	✓		
04/06/2018	An Update on Pooling - ACCESS	Paul Finbow			✓					
23/07/2018	Other Types of Investment Opportunities	Hymans Robertson	✓				✓	✓		
12/09/2018	Annual Pension Fund Committee Investment Training	Various Fund Managers					✓	✓	✓	
04/10/2018	Developments in the TPR's approach to the LGPS	Paul Finbow	✓			✓	✓		✓	

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4. Local Pension Boards: A Technical Knowledge and Skills Framework

Pensions legislation	<p>A general understanding of the pensions legislative framework in the UK.</p> <p>An overall understanding of the legislation and statutory guidance specific to the scheme and the main features relating to benefits, administration and investment.</p> <p>An appreciation of LGPS discretions and how the formulation of the discretionary policies impacts on the pension fund, employers and local taxpayers.</p> <p>A regularly updated appreciation of the latest changes to the scheme rules.</p>
Pensions governance	<p>Knowledge of the role of the administering authority in relation to the LGPS.</p> <p>An understanding of how the roles and powers of the DCLG, the Pensions Regulator, the Pensions Advisory Service and the Pensions Ombudsman relate to the workings of the scheme.</p> <p>Knowledge of the role of the Scheme Advisory Board and how it interacts with other bodies in the governance structure.</p> <p>Broad understanding of the role of pension fund committees in relation to the fund, administering authority, employing authorities, scheme members and taxpayers.</p> <p>Awareness of the role and statutory responsibilities of the treasurer and monitoring officer.</p> <p>Knowledge of the Myners principles and associated CIPFA and SOLACE guidance.</p> <p>A detailed knowledge of the duties and responsibilities of pension board members.</p> <p>Knowledge of the stakeholders of the pension fund and the nature of their interests.</p> <p>Knowledge of consultation, communication and involvement options relevant to the stakeholders.</p> <p>Knowledge of how pension fund management risk is monitored and managed.</p> <p>Understanding of how conflicts of interest are identified and managed.</p> <p>Understanding of how breaches in law are reported.</p>

Pensions administration	<p>An understanding of best practice in pensions administration, eg performance and cost measures.</p> <p>Understanding of the required and adopted scheme policies and procedures relating to:</p> <ul style="list-style-type: none"> ■ member data maintenance and record-keeping processes ■ internal dispute resolution ■ contributions collection ■ scheme communications and materials. <p>Knowledge of how discretionary powers operate.</p> <p>Knowledge of the pensions administration strategy and delivery (including, where applicable, the use of third party suppliers, their selection, performance management and assurance processes).</p> <p>An understanding of how the pension fund interacts with the taxation system in the UK and overseas in relation to benefits administration.</p> <p>An understanding of what additional voluntary contribution arrangements exist and the principles relating to the operation of those arrangements, the choice of investments to be offered to members, the provider's investment and fund performance report and the payment schedule for such arrangements.</p>
Pensions accounting and auditing standards	<p>Understanding of the Accounts and Audit Regulations and legislative requirements relating to internal controls and proper accounting practice.</p> <p>Understanding of the role of both internal and external audit in the governance and assurance process.</p> <p>An understanding of the role played by third party assurance providers.</p>
Pensions services procurement and relationship management	<p>Understanding of the background to current public procurement policy and procedures, and of the values and scope of public procurement and the roles of key decision makers and organisations.</p> <p>A general understanding of the main public procurement requirements of UK and EU legislation.</p> <p>Understanding of the nature and scope of risks for the pension fund and of the importance of considering risk factors when selecting third parties.</p> <p>An understanding of how the pension fund monitors and manages the performance of their outsourced providers.</p>
Investment performance and risk management	<p>Understanding of the importance of monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long-term risks.</p> <p>Awareness of the Myners principles of performance management and the approach adopted by the administering authority.</p> <p>Awareness of the range of support services, who supplies them and the nature of the performance monitoring regime.</p>

Financial markets and products knowledge	<p>Understanding of the risk and return characteristics of the main asset classes (equities, bonds, property).</p> <p>Understanding of the role of these asset classes in long-term pension fund investing.</p> <p>Understanding of the primary importance of the investment strategy decision.</p> <p>A broad understanding of the workings of the financial markets and of the investment vehicles available to the pension fund and the nature of the associated risks.</p> <p>An understanding of the limits placed by regulation on the investment activities of local government pension funds.</p> <p>An understanding of how the pension fund interacts with the taxation system in the UK and overseas in relation to investments.</p>
Actuarial methods, standards and practices	<p>A general understanding of the role of the fund actuary.</p> <p>Knowledge of the valuation process, including developing the funding strategy in conjunction with the fund actuary, and inter-valuation monitoring.</p> <p>Awareness of the importance of monitoring early and ill health retirement strain costs.</p> <p>A broad understanding of the implications of including new employers into the fund and of the cessation of existing employers.</p> <p>A general understanding of the relevant considerations in relation to outsourcings and bulk transfers.</p> <p>A general understanding of the importance of the employer covenant and the relative strengths of the covenant across the fund employers.</p>

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Suffolk Pension Fund Training Plan

1. Introduction

1.1 This is the proposed Training Plan for the Suffolk Pension Fund managed by Suffolk County Council (the Administering Authority). It sets out a proposed rationale and approach for approval by the Pension Fund Committee concerning the training and development of -

- the members of the Pension Fund Committee and;
- officers of the Pension Fund responsible for the management of the Fund.

2.1 The overall aim of the Training Plan is to support members of the Pension Fund Committee and Pension Fund officers in order that they can demonstrate that they have the knowledge to fulfil their role.

2. Rationale

2.2 In order to ensure best practice within the Fund, and to comply with the Public Service Pensions Act 2013, a training plan for those charged with governance and financial management of the Suffolk Pension Fund (Committee members and officers) should be developed on an annual basis. At its meeting of 19 July 2017, the Pension Fund Committee agreed its fourth annual training programme.

2.3 Central to this is the requirement that the Fund should secure appropriate training, having assessed the professional competence of both those involved in pension scheme financial management and those with a policy, management and or oversight role.

2.4 It is not required that each individual demonstrates a level of expertise in every aspect of scheme governance and management, but rather that as a group both the Fund's officers and the Committee has a level of knowledge and skills to ensure effective decision making.

2.5 Committee members and officers are also required to undertake training to satisfy the obligations placed upon them by the:

- Pensions Regulations and the Pensions Regulator;
- CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills; and the
- LGPS Governance Compliance Statement.

3. Approach

- 3.1 The approach to training will be supportive in nature with the intention of providing Committee members and officers with regular sessions that will contribute to their level of skills and knowledge. Primarily based upon pre-Committee training sessions, it may also involve updates from officers and independent advisers. Details of external events will also be circulated as appropriate. This is in addition to an expectation that Committee members will undertake some self-directed learning outside of the formal training. Fund officers will be available to provide additional support and advice.
- 3.2 The key elements of the plan are designed to support members of the Committee in gaining the necessary knowledge and skills as a collective group over the following areas required by the CIPFA Knowledge and Skills Framework:
- Pension Fund governance;
 - Accounting and Audit standards;
 - Procurement of financial services;
 - Investment performance and risk management;
 - Financial markets and product knowledge;
 - Actuarial methods and valuation.
- 3.3 It is comprised of a combination of internally developed training sessions, updates from officers and independent advisers, external events, and self-directed learning. The detailed indicative plan is attached as **Appendix A**.
- 3.4 The Training Plan will be updated at least annually and will be updated with events and training opportunities as and when they become available.

4 Training

4.1 Delivery of Training

Consideration will be given to various available training resources in delivering training to members of the Pension Fund Committee and relevant officers.

Evaluation will be given to the mode and content of training in order to ensure it is both targeted to needs and ongoing requirements and emerging events. It is to be delivered in a manner that balances both demands on Councillors time and costs. These may include but are not restricted to:

Suffolk Pension Fund Training Plan

For Pension Fund Committee members	For officers
<ul style="list-style-type: none"> • In-house • Using an on-line Knowledge Library or other e-learning facilities • Attending courses, seminars, and external events • Internally developed training days and pre/ post Committee meetings • Shared training with other Schemes or Frameworks • Regular updates from officers and/ or independent advisers 	<ul style="list-style-type: none"> • Desktop/ work-based training • Using an on-line Knowledge Library or other e-learning facilities • Attending courses, seminars, and external events • Training for qualifications from recognised professional bodies • Internally developed sessions • Shared training with other Schemes or Frameworks

4.2 External events

Pension Fund Committee members

All relevant external events will be distributed to members of the Committee as and when they become available.

Members will be invited to express an interest in attending an event. The clerk to the Committee will receive any expressions of interest and shall liaise as necessary with the chair of the Committee, and the Head of Finance who shall under the Scheme of Delegation to Chief Officers approve the Committee's representation at the external event. A number of factors will be used to determine the level of representation including the relevance of the event, associated costs and an individual's identified development needs,

The cost of members (and officers) attending an external event will be met by the Pension Fund.

Following attendance at an external event, Committee members will be asked to provide verbal feedback at the subsequent Committee meeting to cover:

- Their view on the value of the event and the merit, if any, of attendance;
- A summary of the key learning points gained from attending the event; and
- Recommendations of any subject matters at the event in relation to which training would be beneficial to Committee Members.

Officers

Following attendance at an external event, officers will be expected to report to the Head of Finance with feedback to cover:

- Their view on the value of the event and the merit, if any, of attendance;
- A summary of the key learning points gained from attending the event; and
- Recommendations of any subject matters at the event in relation to which training would be beneficial to other officers.

5. Training Programme

The draft timetable attached at **Appendix A** provides an indicative training programme covering areas that are likely to be necessary over the next two years. In addition, other items on topical or emerging issues may be added as appropriate, and the training programme flexed accordingly.

The indicative training plan includes details of pension related conferences held throughout the year. There is no expectation that members and officers attend such events as a matter of course, but highlights the availability of such training and networking opportunities and an overview of their content.

Suffolk Pension Fund Training Plan

Indicative Training Programme 2018-20

Appendix A

Ref	What	Who	When	Overview	Intended audience
1	Pre-Committee training	Paul Finbow	4 June 2018	Topic – Pooling - The work so far	All PFC members
2	Pre-Committee training	Matt Woodman	23 July 2018	Topic – What other Investment Opportunities are available / appropriate for the Fund.	All PFC members
3	Conference	LGC Investment Summit Celtic Manor, Wales	6 – 7 September 2018	Aimed at officers and PFC members focussing on investment matters	Officer and PFC members
4	Annual Training Day	Various Speakers	12 September 2018	A wide range of relevant topics to be agreed by the Chair	All PFC members
5	Pre-Committee training	Investment advisers / Manager	28 September 2018	Topic - Property – Considerations of Direct Property	All PFC members
6	Conference	CIPFA Pensions Network Annual Conference – London	22 November 2018	Aimed at officers and PFC members – various speakers focussing on a wide range of pension topics	Officer and PFC members
7	Pre-Committee training	Pool Operator	28 November 2018	Topic – Pooling - Operator Services	All PFC members
8	Pre-Committee training	Investment advisers / Manager	1 March 2019	Topic – Developments in ESG in LGPS Funds	All PFC members
9	Pre-Committee training	Peter Summers	25 March 2019	Topic – Actuarial Valuations	All PFC members
10	Conference	PLSA Local Authority Conference - Gloucestershire	May 2019	Aimed at officers and PFC members – various speakers and workshops focussing on wide range of topics	Officer and PFC members
Ref	What	Who	When	Overview	Intended audience

Suffolk Pension Fund Training Plan

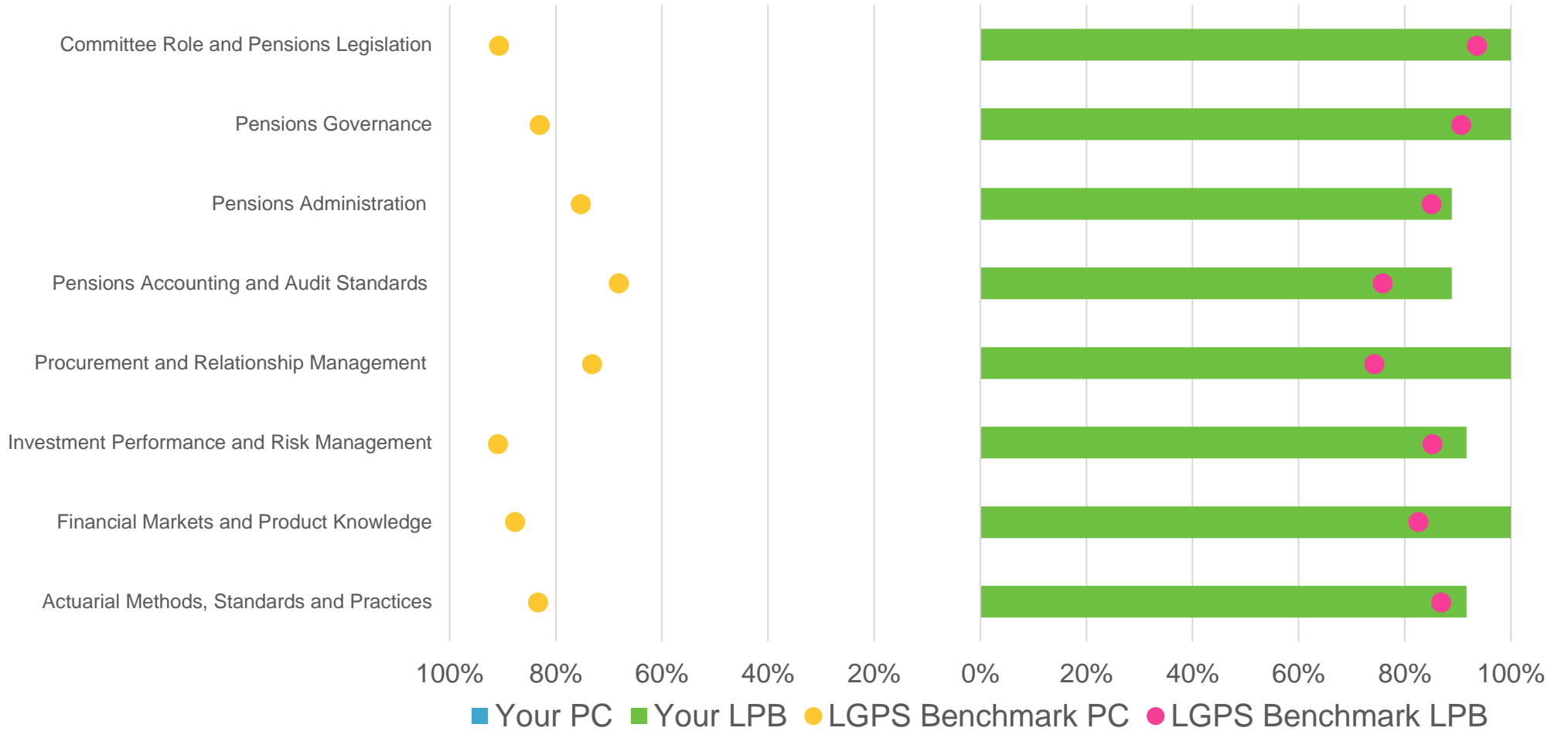
11	Pre-Committee training	Andy Chapman	3 June 2019	Topic - Employers and their Risks to the Fund	All PFC members
12	Pre-Committee training	Investment advisers / Manager	23 July 2019	Topic – Managing Currency exposures	All PFC members
13	Annual Training Day	Various Speakers	September 2019	A wide range of relevant topics to be agreed by the Chair	All PFC members
14	Conference	LGC Investment Summit Celtic Manor, Wales	September 2019	Aimed at officers and PFC members focussing on investment matters	Officer and PFC members
15	Pre-Committee training	Investment advisers	27 September 2019	Topic – Understanding Risks in the Fund	All PFC members
16	Conference	CIPFA Pensions Network Annual Conference – London	November 2019	Aimed at officers and PFC members – various speakers focussing on a wide range of pension topics	Officer and PFC members
17	Pre-Committee training	Investment advisers / Manager	26 November 2019	Topic – Asset Allocation	All PFC members
19	Pre-Committee training	Stuart Potter	28 February 2020	Topic – Scheme Benefits	All PFC members
20	Pre-Committee training	Communications Specialist	31 March 2020	Topic – Better Communications	All PFC members

In addition, induction training sessions will be arranged for any new Pension Fund Committee member. Additional sessions may be incorporated as required.

Conference attendance: Pension Fund Committee members are encouraged to attend some conferences and external training events to develop a wider knowledge of current key topics.

Question	Local Pensions Board			Board Average
	Member 1	Member 2	Member 3	
1a I understand my role and obligations under the LGPS Regulations and Committee's/Board's own terms of reference	4	3	4	3.7
1b I understand the role of the Chair, Chief Finance Officer and Monitoring Officer in the running of the Scheme	3	4	4	3.7
1c I understand the main features of the Regulations applicable to the Local Government Pension Scheme	3	4	4	3.7
2a I am clear what the objectives are for the Fund	3	4	4	3.7
2b I understand the role of the administering authority in relation to the LGPS	4	4	4	4.0
2c I am aware of the Scheme Advisory Board and understand its role and interaction with other bodies in relation to the governance of the LGPS	3	3	4	3.3
2d I understand the roles and powers of MHCLG, the Pensions Regulator and the Pensions Ombudsman as they relate to the working of the scheme	3	3	4	3.3
2e I understand the Funds approach to risk management and how risk is monitored and managed	3	3	4	3.3
3a I understand the statutory record keeping requirements and the Funds policy in relation to member data, contribution collection and scheme communication	4	4	4	4.0
3b I have an appreciation of the Funds administration strategy and how this is delivered (inc. where appropriate the use of third parties and their performance)	4	4	4	4.0
3c I understand the Pensions Regulator's measures of good administration practice set out in its Code of Practice 14	2	3	4	3.0
4a I understand the role of the elected member in the preparation of pension fund accounts	2	3	4	3.0
4b I understand the difference between the different types of valuations that are carried out e.g. the triennial funding valuation, IAS19/ FRS102 accounting valuations and the Government Actuary's valuation (Section 13)	3	3	4	3.3
4c I have a general understanding of the Accounts and Audit Regulations and the regulatory requirements for sound internal controls and proper accounting practice	4	3	4	3.7
5a I understand the effect pooling will have on the procurement process and the changed relationship between the committee and those that manage its assets	4	3	4	3.7
5b I understand the role of procurement frameworks in procuring services	4	3	4	3.7
5c I have a clear sense of how I will assess the Fund's providers (managers, Pool, advisors etc).	3	3	4	3.3
6a I understand the Fund's Investment objectives	3	4	4	3.7
6b The Fund's investment beliefs are reflected in the underlying investment strategy	2	3	4	3.0
6c I understand the Fund's net cashflow position and how this might change over time	3	3	4	3.3
6d I am aware of Environmental, Social and Governance risks and the Fund's approach to managing these risks	3	3	4	3.3
7a I have a good understanding of the financial markets and investment vehicles available to the Fund	3	3	4	3.3
7b I understand the risk and return characteristics of the main asset classes	3	3	4	3.3
7c I understand why the Committee would decide to further diversify the Fund and how it would do this	4	3	4	3.7
7d I understand the difference between active and passive management and the pros/cons associated with each	4	4	4	4.0
8a I understand the role of the Fund actuary	3	4	4	3.7
8b I have a good understanding of the formal valuation process	4	4	4	4.0
8c I understand the broad principles of the Funding Strategy Statement	2	4	4	3.3
8d I broadly understand the implications of including new employers into the Fund and the importance of the employer covenant	4	3	4	3.7

What proportion of responses were mostly or completely confident?



Suffolk Pension Board, 13 March 2019

Information Bulletin

The Information Bulletin is a document that is made available to the public with the published agenda papers. It can include update information requested by the Board as well as information that a service considers should be made known to the Board.

This Information Bulletin covers the following items:

1. [Cost Cap Mechanism](#)
2. [Good Governance Survey](#)
3. [New Employers](#)

1. Cost Cap Mechanism

Some of the unfunded Public Sector Pension Schemes have breached their cost cap (the balance between members' contributions and benefits versus employer contributions). The Scheme Advisory Board (SAB) has a separate mechanism to review the costs of the LGPS and has concluded that a similar situation exists.

Recently an employment tribunal ruled in favour of a number of claimants that they were subject to age discrimination when their pension scheme was changed from a final salary scheme. This ruling could be applied to all public sector pension schemes.

On 30 January the Government published a written statement which announced a pause in the cost cap process for public service pension schemes pending the outcome of the application to appeal the case to the Supreme Court. This pause also applies to SAB's suggested changes to the LGPS.

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2. Good Governance Survey

The LGPS Scheme Advisory Board (SAB) has commissioned Hymans Robertson to facilitate a consultation on good governance structures for the LGPS. The purpose of the consultation is to consider how best to accommodate LGPS functions within the democratically accountable local authority framework in a way that ensures that conflicts of interest are addressed and managed appropriately and that the LGPS remains appropriately resourced and able to deliver its statutory functions. The SAB have asked Hyman Robertson to help identify the real issues and potential options for change to the current arrangements which are proportionate, pragmatic and would improve LGPS governance in these areas.

Through the consultation process, SAB will be seeking the views of as many stakeholders, representing all elements of the LGPS, as possible. Scheme stakeholders will be invited to complete a short online questionnaire which asks for

examples of actual conflicts that can arise, your views on the effectiveness of current LGPS governance arrangements and your suggestions for improvement. Further stages of the consultation will include interviews and workshops with key stakeholders. This will allow the SAB to consult on a series of options that reflect the reality of LGPS governance as experienced by those who experience it first-hand.

This work will begin immediately, with reports coming to the SAB in April and July.

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3. New Employers

There have been four new employers admitted into the Fund; two academies and two parish councils.

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For further information please contact: Paul Finbow, Senior Pensions Specialist; Email: paul.finbow@suffolk.gov.uk, Telephone: 01473 265288.

Suffolk Pension Board Forward Work Programme

Purpose

The purpose of this forward work programme is to support the Pension Board in promoting and strengthening corporate governance across the Council.

Terms of reference

The terms of reference of the Pension Board are:

- a) to secure compliance with the Local Government Pension Scheme (LGPS) regulations and any other legislation relating to the governance and administration of the LGPS
- b) to secure compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator
- c) to secure the effective and efficient governance and administration of the LGPS for the Suffolk Pension Fund
- d) in such other matters as the LGPS regulations may specify
- e) to provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest

Meeting date (see Note)	Added to Work Programme	Subject	Short description	How is it anticipated the Board will deal with this issue?
Tuesday, 23 July 2019 (PM)	Added 14 December 2018	Complaints, Compliments and Administration Performance	To receive a report on the complaints and compliments received by the Fund	Written Report
	Added 14 December 2018	Suffolk's progress on Pooling of Assets	To receive an update on the progress of pooling assets	Presentation
	Added 14 December 2018	Investment Performance	To receive a report on the investment performance of the Fund in 2018/19	Written Report
	Added 14 December 2018	Annual Report and Accounts 2018/19	To review the annual report and Accounts of the Pension Fund	Written Report
	Added 14 December 2018	Recent Developments	To receive an information bulletin covering recent developments that the Board has an interest in	Written Report
	Added 14 December 2018	Forward Work Programme	To approve the Forward Work Programme for the Suffolk Pension Board.	Written Report
Friday, 11 October 2019 (PM)	Added 13 March 2019	Complaints, Compliments and Administration Performance	To receive a report on the complaints and compliments received by the Fund	Written Report

Meeting date (see Note)	Added to Work Programme	Subject	Short description	How is it anticipated the Board will deal with this issue?
Friday, 11 October 2019 (PM)	Added 13 March 2019	Suffolk's progress on Pooling of Assets	To receive an update on the progress of pooling assets	Presentation
	Added 13 March 2019	Pension Board Risk Register	To review the Pension Board Risk Register	Written Report
	Added 13 March 2019	Recent Developments	To receive an information bulletin covering recent developments that the Board has an interest in	Written Report
	Added 13 March 2019	Forward Work Programme	To approve the Forward Work Programme for the Suffolk Pension Board.	Written Report

Note: Additions and amendments to previous Forward Agenda are marked in bold.

If you have any questions or queries, please contact Paul Finbow. Email: paul.finbow@suffolk.gov.uk, Telephone: 01473 265288.

Revised – March 2019

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