

Minutes of the Suffolk Pension Board Meeting held on Tuesday, 29 July 2025 at 11:00 am in the Rose Mead Room, Endeavour House, Ipswich.

Present: Councillor Richard Smith MVO (Chairman) (representing Suffolk County Council), Richard Blackwell (representing Pensioners), Ian Blofield (representing all Borough, District, Town and Parish Councils), Peter Frost (representing the Unions) and Thomas Jarrett (representing all other employers in the Fund – attended remotely).

Also present: Scott Douglas, Northern Trust (Agenda Item 7 – attended remotely) and Tatum White, Senior Auditor (Agenda Item 6).

Supporting officers present: Rebekah Butcher (Democratic Services Officer), Stuart Potter (Pensions Operations Manager), Sharon Tan (Lead Accountant, Pensions), and Tracey Woods (Head of Pensions).

The meeting was opened by the Democratic Services Officer.

1. Appointment of Chairman

On the proposal of Richard Blackwell, seconded by Ian Blofield, it was unanimously agreed that Councillor Richard Smith MVO be elected as Chairman for the 2025/26 municipal year.

Councillor Richard Smith MVO assumed the Chair.

Before proceeding with the formal agenda, the Chairman paid tribute to Pauline Bacon, who had served on the Board for four years as the Union representative, making a significant contribution during her tenure. A warm welcome was extended to Peter Frost, who had joined the Board as the new Union representative. The Board looked forward to working with him in the future.

2. Appointment of Vice Chairman

On the proposition of Councillor Richard Smith MVO, seconded by Richard Blackwell, it was unanimously agreed that Ian Blofield be elected as Vice Chair for the 2025/26 municipal year.

Thomas Jarrett joined the meeting remotely at 11:03 am.

3. Apologies for Absence

Apologies for absence were received from Kay Davidson (representing Active Members).

4. Declarations of Interest and Dispensations

Councillor Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

5. Minutes of the Previous Meeting

The minutes of the meeting held on 7 March 2025 were confirmed as a correct record and signed by the Chairman.

6. Internal Audit Work on the Pension Fund 2024/25

The Board received a report under Agenda Item 6, which outlined the internal audit work undertaken during the 2024/25 financial year in relation to the Suffolk Pension Fund, along with the resulting audit opinions on the control environment.

The Chairman welcomed Tatum White, Senior Auditor, to the meeting. She presented the report, and members had the opportunity to ask questions.

Decision: The Board took assurance from the work and activities of the Internal Audit Service, concluding that the processes and controls within the Pensions Team were operating effectively.

Reason for decision: The Board was responsible for ensuring that the Suffolk Pension Fund complied with all legislative requirements and that the scheme was effectively and efficiently governed and managed.

A member welcomed the reasonable assurance rating and asked whether the recommendations outlined in the report were being addressed. The Head of Pensions confirmed that the recommendations were being processed and incorporated, with some having already been closed since the report was drafted.

The Chairman expressed appreciation for the clarity of the report and the explanation that reasonable assurance should be regarded as a positive outcome. It was noted that substantial assurance was rarely given, as it implied near perfection, and that most recommendations typically resulted in reasonable assurance ratings. He also acknowledged his awareness of the internal audit work and expressed gratitude for the efforts of the Internal Audit team on behalf of the Board.

Alternative options: There were none considered.

Declarations of interest: Cllr. Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

7. Annual Investment Performance Review

At Agenda Item 7, the Board received a report summarising the performance of the Suffolk Pension Fund for 2024-25, including benchmarking against other local authority pension funds.

The Chairman welcomed Scott Douglas of Northern Trust, who joined the meeting remotely. He presented the report, and members were given the opportunity to ask questions.

Decision: The Board noted the investment performance of the Fund.

Reason for decision: The Board represented stakeholders in the Fund and received an annual update on the investment performance of the Suffolk Pension Fund.

The Board acknowledged the role of global infrastructure investment in driving growth. A question was raised regarding the UK Government's initiative to encourage greater domestic investment, and whether this was beneficial. In response, Mr. Douglas clarified that while infrastructure investment contributed to growth, it remained a smaller component of the overall portfolio, with equities providing the greatest returns. He emphasised that his comments were personal opinions rather than investment advice and highlighted the importance of trustees receiving clear insights into the risk-return profiles of investment opportunities. He noted the potential public relations value of investing local funds for local benefit but reiterated that fiduciary responsibilities must remain the Fund's primary concern.

The Board expressed appreciation for the clarity of the analysis. It was acknowledged that while overall performance was positive, some elements inevitably underperformed. The Chairman noted that the Board's role was to prompt the Pension Fund Committee to re-examine areas of concern, though no immediate questions were raised.

A query was posed regarding the long-term performance rankings, specifically the 20-year ranking shown on page 67. It was observed that the ranking stood at the 43rd percentile, prompting discussion on the implications of such a figure. The Lead Accountant (Pensions) emphasised the inherent uncertainty in long-term projections and clarified that the ranking was relative rather than absolute. It was noted that fluctuations would be expected and that asset allocations across funds varied, with some potentially benefiting more from global equities. Given the fund's historically moderate exposure to equities, the ranking served more as a reference point than a cause for concern. The Board was reassured that the fund remained in a strong position, and it was highlighted that the 20-year period encompassed significant events such as the financial crisis of 2008 and the COVID-19 pandemic. Achieving over 7% annual returns during such a period was considered commendable.

Alternative options: There were none considered.

Declarations of interest: Cllr. Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

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Dispensations: There were none granted.

8. Pensions Administration Performance

At Agenda Item 8, the Board received a report providing an update on the performance of the Pensions Administration Team. The report included details of compliments and complaints received, as well as information on the timeliness of contribution payments from employers in the Fund.

The report was introduced by Stuart Potter, Pensions Operations Manager, and Sharon Tan, Lead Accountant (Pensions). Members were given the opportunity to ask questions.

Decision: The Board noted the report and considered the information provided, confirming that no further action was required at this time.

Reason for decision: The purpose of the report was to provide the Board with regular updates on the performance of the Pensions Administration Team, including statutory requirements and Service Level Agreements.

A query was raised regarding one employer's late submission of valuation data. It was confirmed that the employer had been reminded of the deadline on multiple occasions and informed that, in the absence of a response, the most up-to-date records held would be submitted to the actuary. The Board acknowledged the small scale of the issue and agreed no further action was necessary.

The Board noted that the end-of-year pensioner payroll processes had been completed on 31 March 2025, with P60s issued two months ahead of the statutory deadline. The Chairman commended this as an exceptional performance and asked that it be formally noted with gratitude.

It was noted that Peter Frost would be writing a column for the next active members' newsletter, due out in the coming weeks.

A question was raised regarding the apparent £3.5 million variance between quarterly contribution payments. It was explained that the difference was likely due to timing cut-offs, weekly payment cycles, and year-end adjustments. It was noted that Quarter 1 figures might appear inconsistent, while Quarter 2 and Quarter 3 figures were more typical. The Board accepted that no concern was warranted.

Alternative options: There were none considered.

Declarations of interest: Cllr. Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

9. Government Pension Review

At Agenda Item 9, the Board received a report which included the final report of the Pensions Investment Review, as outlined in the Mansion House speech delivered on 14 November 2024, and the Government's response to the LGPS: Fit for the Future consultation. The report also included the relevant sections of the draft Pension Schemes Bill.

The report was introduced by Tracey Woods, Head of Pensions, and members were given the opportunity to ask questions.

Decision: The Board noted:

- a) the final report of the Pensions Investment Review
- b) the Government's response to the LGPS: Fit for the Future consultation.
- c) the proposed changes to primary legislation impacting the LGPS, as set out in the draft Pension Schemes Bill.

Reason for decision: The Government had published the final report of its Pensions Investment Review, which set out how it intended to deliver scale and consolidation within the LGPS. The review focused on addressing fragmentation and inefficiency to unlock the investment potential of the scheme, including through asset pooling, enhanced governance, and a strengthened emphasis on local investment. Alongside this, the Government's response to the LGPS: Fit for the Future consultation had also been published.

The draft Pension Schemes Bill had been issued, outlining the primary legislative changes required to implement the proposed reforms.

Alternative options: There were none considered.

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Dispensations: There were none granted.

10. Academies Policy

At Agenda Item 10, the Board received a report outlining the Fund's approach to simplifying and standardising the treatment of academies, including free schools and third-party contractors working on their behalf, as part of the valuation exercise to calculate contribution rates for the period 1 April 2026 to 31 March 2029. To support this, the Fund had developed the Suffolk Pension Fund Academy Policy in collaboration with Hymans Robertson, the Fund's Actuary, setting out the funding principles for all academies and free schools within the Fund.

The report was introduced by Sharon Tan, Lead Accountant (Pensions), and members were given the opportunity to ask questions.

Decision: The Board noted the new Academy Policy.

Reason for decision: The Pension Board represented stakeholders in the Fund, including those affected by the application of the Academy Policy.

Members heard that the draft Academy Policy had been circulated to existing academies in the Fund for consultation. While most responses focused on broader sector developments, one comment specifically addressed the policy itself, describing it as a sensitive and positive step forward to help Multi Academy Trusts better manage risk across schools.

A member welcomed the clarity and structure of the proposed Academy Policy, particularly the simplification it offered in relation to contractor arrangements. It was suggested that the policy could help address common misunderstandings around pensions, which might currently deter new entrants to the sector. The policy was viewed as a positive step that would likely be well received across the education sector, especially in the context of recent organisational changes such as mergers.

Alternative options: There were none considered.

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Ian Blofield, and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

11. McCloud Implementation

At Agenda Item 11, the Board received a report which provided an update on the progress of implementing the McCloud Remedy for the Fund, along with the revised plan for completing the work in line with the legislation that came into force on 1 October 2023.

The report was introduced by Tracey Woods, Head of Pensions, and members were given the opportunity to ask questions.

Decision: The Board noted:

- a) the recommendation made to the Pension Fund Committee on 21 July 2025 that the McCloud Implementation Phase for the Suffolk Pension Fund be extended until 31 August 2026.
- b) the reasons for the recommendation and the work in progress to apply the remedy for impacted members.

Reason for decision: The Pension Board represented members and stakeholders in the Fund who were affected by the McCloud remedy.

The extension of the implementation phase reflected the ongoing work required to apply the remedy in line with legislative requirements.

The Board sought assurance on the capacity to meet the revised deadline. It was confirmed that the extension would allow the administration team to prioritise high-impact cases, such as those involving members approaching or already in retirement, without being constrained by the production of annual benefit statements. The Head of Pensions expressed confidence in delivering the remedy by August 2026, provided no further legislative changes were introduced, and highlighted the importance of setting realistic deadlines given ongoing uncertainties and evolving guidance.

The Board thanked officers for the update and the assurances provided.

Alternative options: There were none considered.

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Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

12. LGPS Access and Fairness Consultation Response

At Agenda Item 12, the Board received a report outlining the Government's launch of the Access and Fairness consultation, which covered a range of proposals relating to pension benefits for scheme members.

The report was introduced by Sharon Tan, Lead Accountant (Pensions), and members were given the opportunity to ask questions.

The Board was informed that the draft consultation response had been presented to the Pension Committee at its training session on 23 June 2025 and considered at its meeting on 21 July 2025. The officer provided an oral update on the Committee's position, which approved the response but noted the administrative burden of concurrent reforms and the Fund's capacity to implement the proposals.

Decision: The Board considered and agreed the consultation response.

Reason for decision: The Pension Board represented stakeholders in the Fund who would be affected by the proposals set out in the consultation.

A member asked what minimum threshold the officer believed would be appropriate for gender pensions gap reporting. It was suggested that a figure of 50, or even 40, would be more appropriate to ensure broader inclusion while excluding only the smallest employers. It was explained that the reporting process would be integrated into the valuation cycle and would not be burdensome once established by the actuary. The purpose of the reporting was to highlight the existence of the pensions gap and support efforts to address it, rather than to assess individual employer actions.

Alternative options: There were none considered.

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Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

13. Board Training Programme

At Agenda Item 13, the Board received a report outlining areas of training for Board members to support the development of the knowledge and understanding required to fulfil their role effectively.

The report was introduced by Tracey Woods, Head of Pensions, and members were given the opportunity to ask questions.

Decision: The Board considered and agreed the content of the training programme for the coming year as follows:

- a) Changes to Pensions Regulations following Pension Schemes Bill.

- b) Pooling Changes.
- c) Task Force on Climate-related Financial Disclosures and Task Force on Nature-related Financial Disclosure Regulations and Guidelines – including reporting requirements.
- d) Impact of Devolution and Local Government Reorganisation on the LGPS.

Reason for decision: To comply with the Pensions Regulator's requirements, members of the Pension Board must be able to demonstrate that they have the necessary knowledge and understanding of Local Government Pension Scheme (LGPS) matters.

Members noted that while a list of suggested topics had been provided, additional items could be added throughout the year as necessary or relevant.

Alternative options: There were none considered.

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Dispensations: There were none granted.

14. Information Bulletin

The Board noted the Information Bulletin at Agenda Item 14.

15. Dates of Future Meetings

At Agenda Item 15, the Board considered the dates of its future meetings.

Decision: The Board agreed to the following dates for its future meetings as follows:

2025/2026

- Friday, 17 October 2025
- Wednesday, 10 December 2025
- Wednesday, 4 March 2026

2026/2027

- Tuesday, 28 July 2026
- Thursday, 15 October 2026
- Wednesday, 9 December 2026
- Wednesday, 3 March 2027

All meetings would take place in person at Endeavour House, starting at 11:00 am.

Reason for decision: The Board had discretion over the scheduling of its meetings and agreed the planned dates up to two years in advance to support effective forward planning.

Alternative options: There were none considered.

Declarations of interest: Cllr. Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

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Dispensations: There were none granted.

16. Forward Work Programme

At Agenda Item 16, the Board received a copy of its Forward Work Programme.

Decision: The Board approved its Forward Work Programme as published.

Reason for decision: The Board regularly reviewed the items appearing on its Forward Work Programme and was satisfied that the current programme remained appropriate.

17. Exclusion of the Press and Public

Decision: The Committee agreed that the public (including the press) should be excluded from the meeting during the consideration of Agenda Item 18 on the grounds that:

- a) that it involves the likely disclosure of exempt information by virtue of 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.

18. LGPS Fit for the Future – Pooling

At Agenda Item 18, the Board considered a report which set out the Government's response to the business case submitted to establish ACCESS as an Investment Management Company, in order to comply with new pooling standards by March 2026. The report also outlined the work in progress to meet the Government's direction, as set out in the letter from the Minister for Pensions and the Minister for Local Government, and in the final report of the Pensions Investment Review.

The report was introduced by Tracey Woods, Head of Pensions, and members were given the opportunity to ask questions.

Decision: The Committee noted the report.

Reason for decision: The Government published the interim report of the Pensions Investment Review in November 2024, alongside a consultation titled Local Government Pension Scheme (LGPS): Fit for the Future. As part of this process, all pools and pension funds were required to provide a submission to Government by 1 March 2025 which demonstrated a clear path to meeting the consultation's requirements.

On 9 April 2025, the Government wrote to the Suffolk Pension Fund and the 10 other ACCESS authorities to confirm that the proposal to establish an investment management company did not align with its vision for the future of LGPS pooling.

The Government requested that each fund identify which pool it intended to join going forward, either collectively or individually, with an in-principle decision expected by 30 September 2025.

Alternative options: There were none considered.

Declarations of interest: Cllr. Richard Smith MVO and Richard Blackwell declared an interest by virtue of the fact they were each in receipt of a local government pension.

Ian Blofield and Thomas Jarrett declared an interest by virtue of the fact they were active members of the pension scheme.

Dispensations: There were none granted.

The meeting closed at 1:03 pm.

Chairman