

## Suffolk Pension Board

(Quorum 2 – 1 member of each representative group)

### **Scheme Employer Representatives:**

Councillor Richard Rout, representing Suffolk County Council.

Ian Blofield, representing all Borough, District, Town and Parish Councils.

Thomas Jarrett, representing all other employers in the Fund.

### **Scheme Member Representatives:**

Pauline Bacon, representing the Unions.

Richard Blackwell, representing Pensioners.

Kay Davidson, representing Active Members.

**Date:** Tuesday, 25 July 2023

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

**Time:** 11:00 am

**Business to be taken in public:**

1. **Election of Chairman and Vice Chairman**

The Committee is invited to elect a Chairman and Vice Chairman for the 2023/24 municipal year.

2. **Apologies for Absence**

To note and record any apologies for absence.

3. **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.

4. **Minutes of the Previous Meeting**

Pages 5-11

To approve as a correct record, the minutes of the meeting held on 10 March 2023.

5. **Internal Audit Work on the Pension Fund 2022-23**

Pages 13-18

To receive a report on the internal audits of the Fund in 2022/23.

6. **Investment Performance**

Pages 19-57

To receive a report on the investment performance of the Fund in 2022/23.

7. **Pensions Administration Performance**

Pages 59-62

To receive a report summarising the compliments, complaints and administration performance of the Fund.

8. **ACCESS Pool update**

Pages 63-65

To receive an update on the progress of the ACCESS pool.

9. **Information Bulletin**

Pages 67-68

To receive an information bulletin on some recent developments that will be of interest to the Board.

10. **Board Training Programme**

Pages 69-80

To consider the Board's training programme for the next 12 months.

11. **Dates of Future Meetings**

To consider and agree the following suggested dates for future meetings:

2023/2024:

- Tuesday, 3 October 2023 (11am)
- Tuesday, 6 December 2023 (11am)
- Friday, 8 March 2024 (11am)

2024/2025

- Tuesday, 23 July 2024
- Wednesday, 16 October 2024
- Wednesday, 4 Decemeber 2024
- Friday, 7 March 2025

12. **Forward Work Programme**

Pages 81-83

To consider whether there are any matters which the Board would wish to have included in its Forward Work Programme.

**Date of next scheduled meeting:** Tuesday, 3 October 2023 at 11:00 am

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

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2. Use the stairs, NOT the lifts.
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**Nicola Beach**  
**Chief Executive**

Minutes of the Suffolk Pension Board Meeting held on Friday 10 March 2023 at 11:00 am in the Rose Mead Room, Endeavour House, Ipswich.

Present: David Rowe (Vice Chair, representing Active Members), Pauline Bacon (representing the Unions), Ian Blofield (representing all Borough, District, Town and Parish Councils), Thomas Jarrett (representing all other employers in the Fund), and Eric Prince (representing Pensioners).

Supporting officers present: Susan Cassedy (Democratic Services Officer), Paul Finbow (Head of Pensions), Stuart Potter (Pensions Operations Manager) (Items 8-13) and Sharon Tan (Lead Accountant, Pensions).

### **31. Apologies for Absence**

Apologies for absence were received from Councillor Richard Rout (Chairman, representing Suffolk County Council).

### **32. Declarations of Interest and Dispensations**

Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

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

### **33. Minutes of the Previous Meeting**

The minutes of the meeting held on 7 December 2022 were confirmed as a correct record and signed by the Vice Chair.

### **34. Pensions Administration Performance**

The Board received a report at Agenda Item 4, which provided members with an update on the performance of the Pensions Administration Team. This report also included details of compliments and complaints and contribution payments.

The report was introduced by the Head of Pensions and the Lead Accountant, Pensions. Members had an opportunity to ask questions.

In relation to the backlog, the Board was advised that although the numbers of older undecided leavers had dropped, newer cases had been added to the outstanding list. The expectation was to substantially reduce this unprocessed work by the summer of 2024.

The Head of Pensions confirmed that records of people who could not be found would be kept open and the money held. He referred to the Pensions Dashboard national scheme which provided people with their own log in so that they could view all their pensions in one place. This had been due to come out in August but had been delayed with no known date. The I-Connect file would resolve the

address problems and would put the Fund in a better position for active members but the issue with deferred pensions would remain.

In the event of the death of the main recipient, the Board was advised that having a named beneficiary speeded up the process and there was no need to wait for probate. If, however, there were no nominations, this would get to the right person via probate but would slow up any payments.

It was suggested that an article be placed in Inside SCC and the active members newsletter stressing the importance of members keeping their information up to date.

**Decision:** The Board noted the report.

**Reason for decision:** The Board wanted to be 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 declared an interest by virtue of the fact he was in receipt of a local government pension.

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

**Dispensations:** There were none granted.

### **35. Review of the Actuarial Valuation of the Fund**

The Board received a report at Agenda Item 5, which updated members on the progress made in completing the Actuarial Valuation and the decisions that the Pension Fund Committee made on 28 February 2023.

The report was introduced by the Head of Pensions who advised that it had been a successful valuation process and that the rates and adjustments certificate would be issued in the next few days. Members had an opportunity to ask questions.

With regards to the reduction in Suffolk County Council's rate of contribution, the Head of Pensions advised that all employers were in different positions and had made different decisions about their contributions. He explained that the Council would be paying 23% for the current year and 19.4% for the next three years due to being above 100%. The Head of Pensions advised that the more paid in, the higher the certainty that the employer would remain 100% funded going forward.

It was explained that one of the elements used by the Actuary to calculate liabilities in the valuation was bond yields (interest rates) and as interest rates had gone up less money was needed to pay benefits in the future as the money would earn more.

The Head of Pensions stated that the revised number from the Actuary had not yet been received but it was expected to have improved.

**Decision:** The Board:

- a) noted the Funding Strategy Statement for the Pension Fund set out in Appendix 1; and

b) noted the contribution rates for the employers in the Fund (set out in Valuation Report in Appendix 2).

**Reason for decision:** To provide the Board with an update on the process for agreeing employer contribution rates for the next three years.

**Alternative options:** There were none considered.

**Declarations of interest:** Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

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

**Dispensations:** There was none granted.

### **36. Board member reflection on the ACCESS Joint Committee Meeting 6 March 2023**

The Board received an update from Ian Blofield and Eric Prince on their recent attendance at the ACCESS Joint Committee meeting.

Ian Blofield described it as an interesting experience with 14 items on the agenda covering various aspects expected of a committee that might affect the fund. He advised that there was representation from 11 funds with 35 representatives made up of a mix of councillors and officers. He had been reassured to note the serious and rigorous debate that had taken place and it was not just a case of nodding through papers. Ian Blofield advised that the six representatives from three pension boards provided feedback to the Committee at the end of the meeting and he considered it well worth doing as it had provided a sense of scale and range of issues on operational aspects. He added that due to the size of the committee it had access to good technical support.

Eric Prince advised that he went to see if it would operate effectively or if it would be just a rubber stamping operation. He described the reports considered as probably unusually challenging and how impressed he had been in the way it was operated. He considered there to be a lot of challenge with one item getting deferred. Eric Prince still retained his concerns regarding the size of the Committee and raised concern about it becoming a bureaucracy.

The Board was advised that it had been the first time observers had officially attended following the signing of the Inter Authority Agreement however there had been observers at the two previous meetings.

**Decision:** The Board noted the update.

**Reason for decision:** The Board was interested to hear reflections on how the Joint Committee was running.

**Alternative options:** There were none considered.

**Declarations of interest:** There were none declared.

**Dispensations:** There were none granted.

### **37. ACCESS Pool update**

At Agenda Item 7, the Board received an update from the Head of Pensions, and members had an opportunity to ask questions.

The Board was advised of the discussion which had taken place at the ACCESS Joint Committee.

The Head of Pension referred to the Link Fund Solutions sale and the buyer was now working on putting a deal together by the end of March. The Board heard that the FCA had been involved and that the team providing the service would transfer to the buyer, with services continuing until March 2025 which was the end of the existing Link contract period.

The Head of Pensions advised that a delegation to the Chief Financial Officer was in place should there be a need for an earlier procurement.

**Decision:** The Board noted the update.

**Reason for decision:** The Board was interested in being kept up to date with the progress of the ACCESS pool.

**Alternative options:** There were none considered.

**Declarations of interest:** Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

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

**Dispensations:** There were none granted.

*The Board adjourned at 12.05 pm and reconvened at 12.11 pm.*

### **38. Administration and Management Expenses**

At Agenda Item 8, the Board considered a report setting out the proposed management expenses for the Pension Fund as presented to the Pension Fund Committee at its meeting on 28 February 2023.

The report was introduced by the Lead Accountant, Pensions, and members had an opportunity to ask questions.

In response to concerns raised regarding the £117,000 for three additional posts the Head of Pensions advised that this amount included pay awards and incremental progression for the current team.

In noting that fixed term 1 year contract was not always popular, the Head of Pensions considered that this depended on the timing on when the advert went out. He suggested that it might interest those coming to the end of their academic year and looking for employment but not having made up their minds on a long-term career.

The Head of Finance advised that there was one fixed term member of staff whose contract had been extended and that the budget was based on those colleagues working full time, using the underspend to fund the additional Grade 4 post.

In respect of concerns raised on whether the allowance of £4,000 being sufficient for the Pension Board and a query on the cost of sending Board Members to the ACCESS Joint Committee, the Lead Accountant, Pensions advised that the only cost with regards to attending was the train tickets and that overall costs of administering the Board were low.

**Decision:** The Board noted the report.

**Reason for decision:** The Board noted that costs incurred by the Pension Fund in managing the Fund were related to administration, investment management and governance costs. Some of the costs were incurred by Suffolk County Council as administering authority of the Pension Fund.

The Pension Board was required to ensure effective and efficient governance of the Suffolk Pension Fund.

**Alternative options:** There were none considered.

**Declarations of interest:** Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

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

**Dispensations:** There were none granted.

### **39. Pension Board Risk Register**

At Agenda Item 9, the Board received a report which set out its Risk Register and how the risk control measures had been implemented against the risks.

The report was introduced by the Lead Accountant, Pensions, and members had an opportunity to ask questions.

The Board was advised that the Pension Fund Committee had received and approved the new Risk Register at its September 2022 meeting. A working group had met at the end of January 2023 to go through every line to review the risks. The Lead Accountant, Pensions highlighted the changes made including two risks being merged and moving one from Assets and Investments to Reputational.

A Board member suggested changing the Asset Pooling risk to low risk as the appropriate governance arrangements were now in place and effective.

Clarification was given that SPF14, Funding and Liabilities had not changed and had previously been 'red'.

**Decision:** The Board:

- a) reviewed the implementation of the risk control measures; and
- b) reviewed and approved the Pension Board Risk Register.

**Reason for decision:** The Board recognised that risk management was 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.

The effective management of risk was also an area which was covered within the CIPFA Knowledge and Skills framework which recognised the importance of having an understanding of the risks that could have an impact on the Pension Fund and what steps could be taken to mitigate such risks.

**Alternative options:** There were none considered.

**Declarations of interest:** Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

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

**Dispensations:** There were none granted.

#### **40. Information Bulletin**

The Board noted the Information Bulletin at Agenda Item 10.

#### **41. Forward Work Programme**

The Board received a copy of its Forward Work Programme at Agenda Item 11.

**Decision:** The Board approved its Forward Work Programme.

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

#### **42. 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 13 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.

#### **43. Cyber Security**

At Agenda Item 13, the Board considered an exempt report setting out the cybersecurity measures undertaken by Suffolk County Council, Heywood, Northern Trust and Link Fund Solutions.

The report was introduced by the Lead Accountant, Pensions, and members had an opportunity to ask questions.

Board members were of the opinion that the report provided great detail of reassurance particularly with regards to resilience testing.

**Decision:** The Board noted the cybersecurity measures implemented by Suffolk County Council, Heywood, Northern Trust, and Link Fund Solutions which applied to the Suffolk Pension Fund.

**Reason for decision:** The Pension Board was responsible for assisting the administering authority in securing effective and efficient governance of the Fund which would include an assurance that the Suffolk Pension Fund data was suitably protected through measures implemented by Suffolk County Council, Heywood, Northern Trust and Link Fund Solutions.

**Alternative options:** There were none considered.

**Declarations of interest:** Eric Prince declared an interest by virtue of the fact he was in receipt of a local government pension.

Ian Blofield, Pauline Bacon, Thomas Jarrett, and David Rowe 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 12.58 pm.*

Chairman

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## Suffolk Pension Board

<b>Report Title:</b>	Internal Audit Work on the Pension Fund 2022-23
<b>Meeting Date:</b>	25 July 2023
<b>Lead Councillor(s):</b>	Councillor Richard Rout
<b>Director:</b>	Stephen Meah-Sims, Deputy Chief Executive and Executive Director of Corporate Services
<b>Assistant Director or Head of Service:</b>	Louise Aynsley, Chief Financial Officer (S151)
<b>Author:</b>	Tatum White, Senior Auditor Tel: 01473 264061   Email: <a href="mailto:tatum.white@suffolk.gov.uk">tatum.white@suffolk.gov.uk</a>

### Brief summary of report

1. This report details the internal audit work performed in the 2022/23 financial year relating to Suffolk Pension Fund, and the audit opinions on the control environment resulting from that work.

### Action recommended

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| <ol style="list-style-type: none"> <li>2. The Local Pension Board ('The Board') is recommended to take assurance from the work and activities of the Internal Audit Service with a view that processes and controls within the Pensions Team are operating effectively.</li> </ol> |
|--|

### Reason for recommendation

3. The Board has responsibility for assisting the Suffolk Pension Fund comply with all legislative requirements and for ensuring that the scheme is being effectively and efficiently governed and managed.

### Alternative options

4. None.

### Main body of report

#### Background

5. Two Internal Audit reviews of the Suffolk Pension Fund are undertaken annually: one covering investment activities, and one covering the administrative activities of the Pensions Team.
6. Further assurance is provided by the Internal Audit activity carried out on the wider control framework of Suffolk County Council, within which the Pension Fund is situated. The opinion on these wider systems can be found in the annual report of the Head of Internal Audit and the Council's Annual Governance Statement reported to the Audit Committee on 5 June 2023 and 6 July 2023 respectively.

## Internal Audit Work and Coverage

7. The coverage of the two Internal Audit reviews is based on a good practice guide from a joint working group of the Society County Treasurers, the Local Authority Working Group for the audit of Investment Managers (LAWGAIM), and the Local Authority Chief Auditors Network (LACAN). This good practice guide has been tailored and updated by Internal Audit to better suit the evaluation of the operations of the Suffolk Pension Fund. A risk assessment is conducted prior to the commencement of the work to identify any new risks and changes to rules and regulations. It also ensures that higher risk areas within the Fund are examined, and Internal Audit resources are used effectively.
8. Internal Audit reviews are rated with an opinion on the level of assurance gained as a result of testing and evaluations carried out through the review. The opinions are defined as follows:

Opinion	Definition
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

## Audit Results

<b>Title</b>	Pension Investments
<b>Overall opinion</b>	<b>Substantial Assurance</b>

## **Audit Description**

9. The Internal Audit report for the annual review of Pension Investments was issued in March 2023. This review evaluated the controls to ensure that governance arrangements, systems and procedures were operating effectively.

## **Risk**

10. The following risks were identified and considered at the outset of the audit from LAWGAIM matrices:
  - a) Fund objectives are not defined, agreed and supported by appropriate performance and risk management processes, to include consideration of fraud risk.
  - b) Inappropriate investment strategy is adopted.
  - c) Operational investment processes do not support investment strategy or fail to maximise investment returns.
  - d) Performance of external advisors and service providers is not managed to maximise their contribution to the value of the Fund without placing excessive reliance upon them.
  - e) Fund assets are not sufficient to meet its obligations and liabilities, and consequently there is an adverse impact on the council taxpayer/service provision
  - f) Failure to maintain accurate accounting records and provide appropriate statutory reports including unqualified statutory accounts.
  - g) Failure to adhere to relevant statutory regulations including updates to LGPS.
  - h) Failure to communicate adequately with all relevant stakeholders.
  - i) Those charged with the governance of the Fund and the Scheme are unable to fulfil their responsibilities effectively.
11. In addition to the above, the risk of inadequate governance and reporting arrangement for the ACCESS Pool was considered.

## **Key audit findings and observations**

12. The 2022/23 audit review of Pension Investments confirmed the continued evidence of sound governance, risk management, and control arrangements.
13. The custodian contract commenced in October 2021 and a reconciliation of the funds transferred from the previous to the new custodian was undertaken. The Lead Accountant has worked with the new custodian during the implementation of the new contract, and there is now an effective process in place for the regular monitoring and reconciliation of investment manager funds and cash holdings.
14. The Fund has appropriate governance arrangements in place – independent advisors monitor and report on investment performance and an annual asset allocation and investment strategy review is undertaken. The Pension Fund Committee and Board maintain risk registers which are regularly reviewed; regular training sessions are held for members, who are also completing the Hymans Robertson 'LGPS Online Training Academy' which will meet TPR (the Pensions Regulator) and CIPFA Knowledge & Skills Framework requirements in this area.

15. The Fund has continued to transfer assets into the ACCESS pooled fund when appropriate, and currently has approximately 70% of its assets pool managed. Committee and Board members are kept informed of ACCESS developments.
16. The ACCESS Support Unit (ASU) is audited annually by Essex County Council (who host the ASU). The most recent audit of the ASU, reported in March 2023, resulted in an opinion of 'Good Assurance', the highest rating available.
17. Several consultations affecting the LGPS are still outstanding (e.g. 'Good Governance', asset pooling, climate risk reporting, and TPR Single Code of Practice). When statutory guidance is issued, the Fund will need to review their governance procedures, and the Pension Committee's Business Plan includes an action to address this.

### **Actions**

18. No Internal Audit actions were raised as part of the audit review.

<b>Title</b>	Pension Administration
<b>Overall opinion</b>	<b>Reasonable Assurance</b>

### **Audit Description**

19. The Internal Audit report for the annual review of Pension Administration was issued in June 2023. This review sought to ensure there is an effective level of control in the processes operating in the administration of transaction lifecycles, pension systems, and scheme employers.
20. A reasonable level of assurance was gained that there are sound control arrangements that allow the fund to operate effectively. This is a good opinion when accounting for the high volume of transactions and regulations affecting the activities of the fund.

### **Risk**

21. A risk assessment is carried out to determine the scope of the annual audit of pension administration, using the LAWGAIM matrices as a starting point.
22. Reputational damage, impact on resources, increased vulnerability of staff, or the risk of fraud could occur where:
  - a) Pensions benefits or contributions are miscalculated or not checked adequately, or there are inadequate controls for separation of duties,
  - b) new members are not added to the pension administration system in a timely manner,
  - c) changes to members' entitlements that are not processed in a timely manner or in line with new regulations,
  - d) payments that are not adjusted or ceased promptly upon death of a pension fund member or death grants,
  - e) transfers in or out of the scheme are not processed appropriately, or

- f) systems and data are not protected with appropriate access controls commensurate with business need.

## **Key Audit Findings and Observations**

### ***Findings***

- 23. Three audit findings were raised for action and assigned to the Pensions Team.
- 24. There remain ongoing issues with the data quality of reports extracted from Oracle Fusion and this is having a knock-on impact on the effective functioning of pension processes, such as production of annual benefit statements and notification to active members when records show no pensionable pay received in previous year.

Senior Management and the Pension Committee and Board have been kept informed of this issue. A solution is expected by the end of June 2023 to make sufficient information available to produce Annual Benefit Statements for 2022/23, as well as enable review of pension records for 2021/22. Follow-up work is ongoing, and the action remains outstanding.

- 25. System users are not required to declare familial links with other fund members and therefore may have access to their records. Audit identified that two Altair users with a familial link have access to each other's pension record. This leaves staff in a vulnerable position and introduces the risk of perceived or actual conflict of interests and even the opportunity for fraud if making changes to a family member's record.

It was agreed that Pension Team members will be asked to declare close family members that are also members of the scheme, and a risk assessment will be carried out to determine what access restrictions are required. Follow-up work is ongoing, and the action remains outstanding.

- 26. At the time of the audit, the fund's personal data retention schedule policy was overdue a review, and therefore could have contained out of date and inaccurate information which potentially misinforms readers of the policy.

The policy was reviewed and uploaded to the Pension Fund website before the final report was issued and therefore no follow-up work by Internal Audit is required.

### ***Observations***

- 27. The Pensions team have not been able to fully test the "bulk deletion function", an issue raised in a previous audit report. While this remains an ongoing risk, it is acknowledged that implementation of i-Connect is taking priority.
- 28. Given that the scope of the pensions dashboard will include active and deferred members and pension credit members, Internal Audit notes the potential impact of the backlog of "undecided leavers" (approximately 10,000 cases as of December 2022) could have on investigating "Find" searches if the Pension Regulator imposes a short turnaround time. However, Internal Audit understands from the recent update to Pension Committee that three members of staff have been resourced to work on this full time.

## Conclusion

29. The results of Internal Audit work carried out on the Suffolk Pension Fund during 2022/23 show that the Pensions Team has continued to maintain high standards of control over both investment and administration activities.

### Sources of further information

- a) Audit Committee Report – Annual Internal Audit Report 2022-23 (5 June 2023)  
[Meeting Documents - Committee Minutes \(suffolk.gov.uk\)](#)
- b) Audit Committee Report – Annual Governance Statement 2022-23 (6 July 2023)  
[Meeting Documents - Committee Minutes \(suffolk.gov.uk\)](#)

## Suffolk Pension Board

<b>Report Title:</b>	Investment Performance
<b>Meeting Date:</b>	25 July 2023
<b>Lead Councillor(s):</b>	Councillor Richard Rout
<b>Director:</b>	Stephen Meah-Sims, Deputy Chief Executive and Executive Director of Corporate Services
<b>Assistant Director or Head of Service:</b>	Louise Aynsley, Chief Financial Officer (S151 Officer)
<b>Author:</b>	Paul Finbow, Head of Pensions Telephone: 01473 265288, Email: <a href="mailto:paul.finbow@suffolk.gov.uk">paul.finbow@suffolk.gov.uk</a>

### Brief summary of report

1. This report provides a summary of the performance of the Suffolk Pension Fund for 2022-23 and performance benchmarking against other local authority Pension Funds.

### Action recommended

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| 2. The Board is asked to note the investment performance of the Fund. |
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### Reason for recommendation

3. The Board receives an annual update on the investment performance of the Fund.

### Alternative options

4. There are no alternative options.

### Main body of report

5. The performance of the Pension Fund has been analysed by Northern Trust and measured against market index returns and the Fund's benchmark. The performance analysis is attached as **Appendix 1**.
6. The annual return of -0.85%, was behind the Fund's specific benchmark by 0.71%, with the three years return of 9.61% p.a. slightly ahead by 0.20%.
7. The Pension Fund also subscribes to the Local Authority Pension Performance Analytics service offered by Pensions & Investment Research Consultants (PIRC). Also included in **Appendix 1** (from page 43) is the Suffolk Fund's performance against the overall performance of 62 Local Authority Funds whose data is collected by PIRC.

8. Compared with other local authority funds, the Fund's lower weighting to equities and higher weighting to alternatives resulted in a higher return than the average return of -1.6% calculated by PIRC.
9. The Pension Fund Committee reviewed and discussed the performance of the Fund during its meeting held on 19 July 2023.

### **Conclusion**

10. The Fund returned a performance of -0.85% for the 2022-23 financial year.
11. The Board is asked to note the investment performance of the Fund.

<b>Sources of further information</b>
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No other documents have been relied on to a material extent in preparing this report.
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# INVESTMENT PERFORMANCE REVIEW

*Prepared for the Suffolk County Council Pension Fund  
Committee and Pension Board meetings 2022-2023  
Financial Year*

*Wednesday 19<sup>th</sup> July 2023*

*Endeavour House, 8 Russell Road, Ipswich*

**Scott Douglas**  
*Vice President,  
Senior Investment Performance Consultant  
Investment Risk & Analytical Services*

**Richard Smith**  
*Vice President,  
Senior Relationship Manager  
Institutional Investor Group*

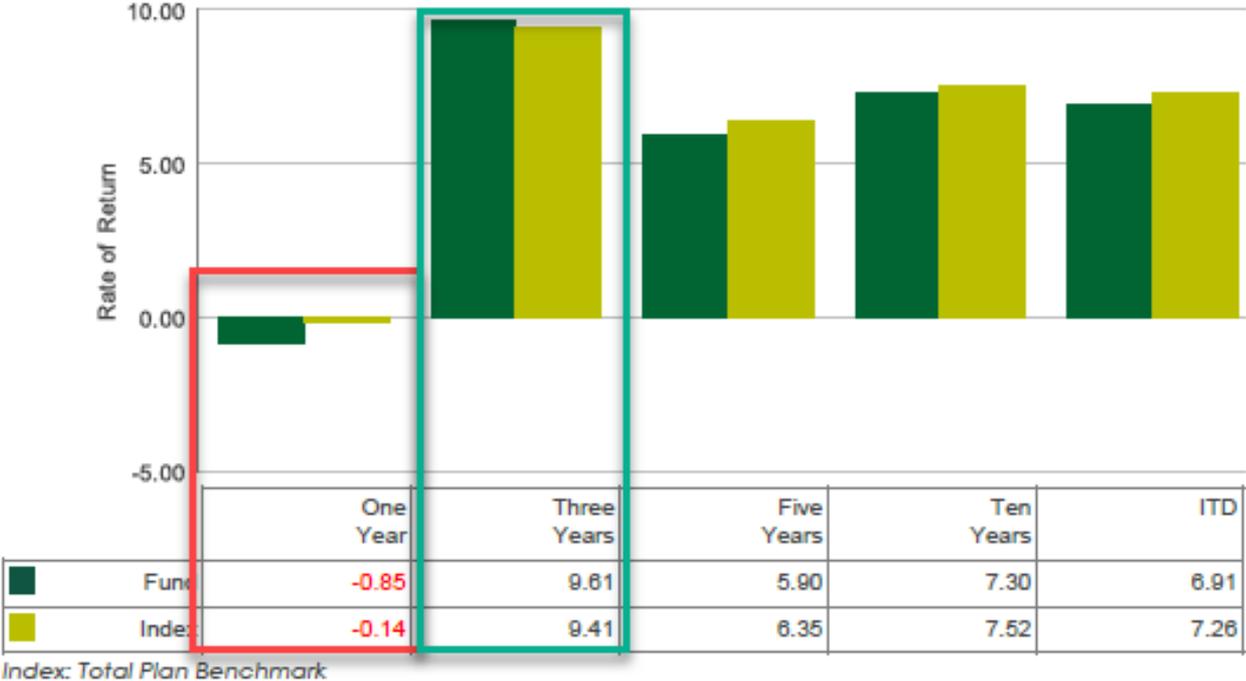


# **SUFFOLK COUNTY COUNCIL 2022-2023 – MARKET OVERVIEW**

- **Recession heads the list of risk cases followed by runaway inflation (UK food price inflation hit 15% in March), rising interest rate environments, wars, disrupted supply chains, more covid or another pandemic.**
- **Equity market returns led the way over the March quarter of fiscal year 2023 although all financial markets returned positively. Over one year, Energy and Consumer Staples were the strongest equity sectors, Real Estate was weakest.**
- **The emerging markets posted positive returns over the March quarter exceeding most other risk assets for the first time in a number of periods, driven by the release of consumer spending growth in China following the end of zero-covid restrictions. The asset class was only beaten by developed market equities and EM debt**
- **Fixed income continued to be volatile and spreads ended the quarter up across investment grade and high yield. Government bond spreads came down slightly across Europe.**
- **The US dollar and yen weakened while sterling and the euro strengthened.**
- **Oil prices fell and were subsequently stabilized by an OPEC+ production cut.**
- **More recently, central banks are focused on inflation. US paused due to easier inflation conditions. Europe already in partial recession and risk of overtightening (too much for too long). UK most at risk due to very sticky core and wage inflation with possibly three more hikes needed to have impact.**
- **Nature is replacing climate change as the hottest topic as it seems that the 1.5 degree target has already been missed. What will it take to convince those that can make a difference to take notice?**
- **The current environment puts pressure on growth assets like equity and property.**

# SUFFOLK COUNTY COUNCIL 2022-2023 – PERIODIC RETURNS

SUFFOLK COUNTY COUNCIL TOTAL FUND NET OF FEES



- For the full financial year to the end of March 2023, the total fund return was -0.85% vs -0.14% for the benchmark, net of fees (NoF).
- The fund remains ahead over the key three year period returning +9.6% pa vs +9.4% pa NoF.
- 5 year returns have deteriorated since last year from +6.9% pa to +5.9% pa NoF. The 10 year return has also fallen from +8.8% pa, when it was in line with the benchmark, to +7.3% pa trailing by 22bps pa.

# SUFFOLK COUNTY COUNCIL 2022-2023 – ASSET CLASS RETURNS

Suffolk County Council		Historical Returns							Mar 31 2023				
Group/Account ↑↕→	MV Last Month End	% of Total Last Month End	ROR					Inception Date					
			1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	ITD						
✓ Suffolk County Council Total Plan Benchmark Excess	3,738,321,227	100.00	-0.85 -0.14 -0.71	9.61 9.41 0.21	5.90 6.35 -0.44	7.30 7.52 -0.22	6.91 7.26 -0.35	31/12/1995					
> Total Equities Total Equities Excess	1,723,407,599	46.10	0.98 0.16 0.81	15.57 15.76 -0.19	8.72 8.04 0.68	9.53 -- --	7.63 -- --	31/12/1995					
> Total Bonds Total Bonds Excess	887,087,786	23.73	-4.62 -1.08 -3.54	2.68 1.72 0.96	1.38 2.79 -1.41	2.85 -- --	4.91 -- --	31/12/2003					
> Property Property All Balanced Funds Excess	319,116,731	8.54	-11.46 -13.84 2.38	2.28 2.94 -0.66	2.14 2.70 -0.57	6.62 -- --	6.16 -- --	31/12/1995					
> Total Private Equity Private Equity MSCI ACWI Excess	163,806,539	4.38	-4.27 -1.43 -2.84	17.95 16.08 1.87	14.11 10.31 3.80	13.19 -- --	3.77 -- --	31/03/2003					
> Total Infrastructure Infrastructure 8% Absolute Excess	368,414,495	9.86	11.61 8.00 3.61	10.43 8.00 2.43	12.63 8.00 4.63	-- -- --	15.51 8.00 7.51	31/03/2016					
> Total Absolute Return Absolute Return GBP Sonia+5% Excess	140,958,887	3.77	1.45 7.84 -6.39	4.48 6.08 -1.59	2.36 5.96 -3.60	-- -- --	2.24 5.81 -3.56	31/03/2016					
> Illiquid Debt Illiquid Debt 8% Absolute Excess	106,367,402	2.85	1.24 8.00 -6.76	5.46 8.00 -2.54	0.73 8.00 -7.27	-- -- --	3.84 8.00 -4.16	31/03/2016					
> Timber Timber 8% Absolute Return Excess	235,407	0.01	-43.57 8.00 -51.57	-16.14 8.00 -24.14	-6.07 8.00 -14.07	-- -- --	4.08 7.99 -3.91	31/12/2013					
> Cash	28,926,381	0.77	5.57	3.66	3.78	3.75	3.83	31/12/1995					

# **SUFFOLK COUNTY COUNCIL 2022-2023 – ASSET CLASS RETURNS**

- **Equity returns stand out as consistent performers across the longer term. A challenging year has seen them drop behind other asset classes shorter term.**
- **The Global equity returns continue to be strong over the longer term driving performance through the larger allocation.**
- **Bonds return the 3<sup>rd</sup> biggest negative on an absolute basis over the one year period. Over three years the bonds return is again 3<sup>rd</sup> lowest but is one of just three asset classes to beat its benchmark.**
- **The scheme Total Bonds returns are lower again than they were at the end of 2020 over three years but continue at 2.7% pa and remain ahead of benchmark.**
- **Private Equity has been consistently strong with a return close to 18% pa over three years, 1.9% pa ahead of the MSCI ACWI benchmark.**
- **Property is now an asset class that concerns many allocating teams. It had been on a long, strong run but risk factors are increasing in the sector.**
- **Infrastructure performance is very strong over both periods, providing the best absolute and relative returns over one year and the 3<sup>rd</sup> best absolute and best relative returns over three years.**
- **Pyrford has returned middling performance over the longer term but is well behind the cash + hurdle benchmark. The smallest allocations to Illiquid debt and timber are both targeting an 8% pa rate of return but both underperform that significantly again over 3 years.**

# SUFFOLK COUNTY COUNCIL – MARCH 2023 1 YEAR ATTRIBUTION

## Agenda Item 6 - Appendix 1

### Policy Level Attribution - One Year

	Weights						Rate of Returns			Attribution Effects		
	Beginning Weights	Beginning Excess Weight	Average Weights	Average Excess Weight	Ending Weights	Ending Excess Weight	Return	Excess Return	Contribution	Relative Asset Allocation	Relative Stock Selection	Total Effect
<b>Suffolk County Council</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-0.85</b>	<b>-0.71</b>	<b>-0.85</b>	<b>-0.15</b>	<b>-0.57</b>	<b>-0.71</b>
<i>Total Plan Benchmark</i>	<i>100.00</i>		<i>100.00</i>		<i>100.00</i>		<i>-0.14</i>		<i>-0.14</i>			
<b>UK Equities</b>	<b>7.85</b>	<b>-0.15</b>	<b>7.92</b>	<b>-0.08</b>	<b>8.23</b>	<b>0.23</b>	<b>4.52</b>	<b>1.60</b>	<b>0.36</b>	<b>-0.03</b>	<b>0.13</b>	<b>0.10</b>
<i>FTSE All Share</i>	<i>8.00</i>		<i>8.00</i>		<i>8.00</i>		<i>2.92</i>		<i>0.27</i>			
<b>Overseas Equities</b>	<b>37.63</b>	<b>3.63</b>	<b>37.22</b>	<b>3.06</b>	<b>37.87</b>	<b>3.37</b>	<b>0.24</b>	<b>0.76</b>	<b>0.12</b>	<b>-0.08</b>	<b>0.29</b>	<b>0.21</b>
<i>Overseas Equity</i>	<i>34.00</i>		<i>34.17</i>		<i>34.50</i>		<i>-0.52</i>		<i>-0.04</i>			
<b>Total Bonds</b>	<b>24.06</b>	<b>-1.94</b>	<b>23.44</b>	<b>-2.56</b>	<b>23.73</b>	<b>-2.27</b>	<b>-4.62</b>	<b>-3.54</b>	<b>-1.11</b>	<b>-0.03</b>	<b>-0.86</b>	<b>-0.88</b>
<i>Total Bonds</i>	<i>26.00</i>		<i>26.00</i>		<i>26.00</i>		<i>-1.08</i>		<i>-0.29</i>			
<b>Property</b>	<b>9.60</b>	<b>-0.40</b>	<b>9.56</b>	<b>-0.44</b>	<b>8.54</b>	<b>-1.46</b>	<b>-11.46</b>	<b>2.38</b>	<b>-1.12</b>	<b>0.09</b>	<b>0.18</b>	<b>0.27</b>
<i>Property All Balanced Funds</i>	<i>10.00</i>		<i>10.00</i>		<i>10.00</i>		<i>-13.84</i>		<i>-1.39</i>			
<b>Total Private Equity</b>	<b>4.82</b>	<b>0.82</b>	<b>4.80</b>	<b>0.80</b>	<b>4.38</b>	<b>0.38</b>	<b>-4.27</b>	<b>-2.84</b>	<b>-0.20</b>	<b>-0.01</b>	<b>-0.13</b>	<b>-0.14</b>
<i>Private Equity MSCI ACWI</i>	<i>4.00</i>		<i>4.00</i>		<i>4.00</i>		<i>-1.43</i>		<i>-0.04</i>			
<b>Total Infrastructure</b>	<b>7.69</b>	<b>-2.31</b>	<b>9.02</b>	<b>-0.98</b>	<b>9.86</b>	<b>-0.14</b>	<b>11.61</b>	<b>3.61</b>	<b>0.97</b>	<b>-0.16</b>	<b>0.30</b>	<b>0.14</b>
<i>Infrastructure 8% Absolute</i>	<i>10.00</i>		<i>10.00</i>		<i>10.00</i>		<i>8.00</i>		<i>0.77</i>			
<b>Total Absolute Return</b>	<b>4.76</b>	<b>-0.24</b>	<b>4.40</b>	<b>-0.60</b>	<b>3.77</b>	<b>-1.23</b>	<b>1.45</b>	<b>-6.39</b>	<b>0.06</b>	<b>-0.03</b>	<b>-0.28</b>	<b>-0.31</b>
<i>Absolute Return GBP Sonia+5%</i>	<i>5.00</i>		<i>5.00</i>		<i>5.00</i>		<i>7.84</i>		<i>0.38</i>			
<b>Illiquid Debt</b>	<b>2.55</b>	<b>0.55</b>	<b>3.04</b>	<b>1.04</b>	<b>2.85</b>	<b>0.85</b>	<b>1.24</b>	<b>-6.76</b>	<b>0.04</b>	<b>0.07</b>	<b>-0.19</b>	<b>-0.12</b>
<i>Illiquid Debt 8% Absolute</i>	<i>2.00</i>		<i>2.00</i>		<i>2.00</i>		<i>8.00</i>		<i>0.15</i>			
<b>Timber</b>	<b>0.21</b>	<b>-0.29</b>	<b>0.10</b>	<b>-0.23</b>	<b>0.01</b>	<b>0.01</b>	<b>-43.57</b>	<b>-51.57</b>	<b>0.01</b>	<b>-0.01</b>	<b>0.00</b>	<b>-0.01</b>
<i>Timber 8% Absolute Return</i>	<i>0.50</i>		<i>0.33</i>		<i>0.00</i>		<i>8.00</i>		<i>0.03</i>			
<b>Cash</b>	<b>0.83</b>	<b>0.33</b>	<b>0.48</b>	<b>-0.02</b>	<b>0.77</b>	<b>0.27</b>	<b>5.57</b>	<b>2.86</b>	<b>0.01</b>	<b>0.04</b>	<b>-0.01</b>	<b>0.03</b>
<i>GBP 3M Sonia</i>	<i>0.50</i>		<i>0.50</i>		<i>0.50</i>		<i>2.72</i>		<i>0.01</i>			

- Negative relative and absolute performance overall for the 2023 financial year. Overweight positions in overseas equities and illiquid debt balanced by underweights to bonds, infrastructure and absolute return assets.
- Stock selection decisions drove the annual underperformance. Managers picked weaker performing stocks than those in the benchmark portfolios for bonds and absolute return. The overseas equity and infrastructure managers outperformed their benchmarks regaining some relative value but not enough.
- The absolute performance of -0.85% was down to bonds and property and would have been worse but for the contributions of infrastructure and UK equities.

# SUFFOLK COUNTY COUNCIL – MARCH 2023 18 MONTH ATTRIBUTION

## Agenda Item 6 - Appendix 1

### Policy Level Attribution - Sept 21 TD

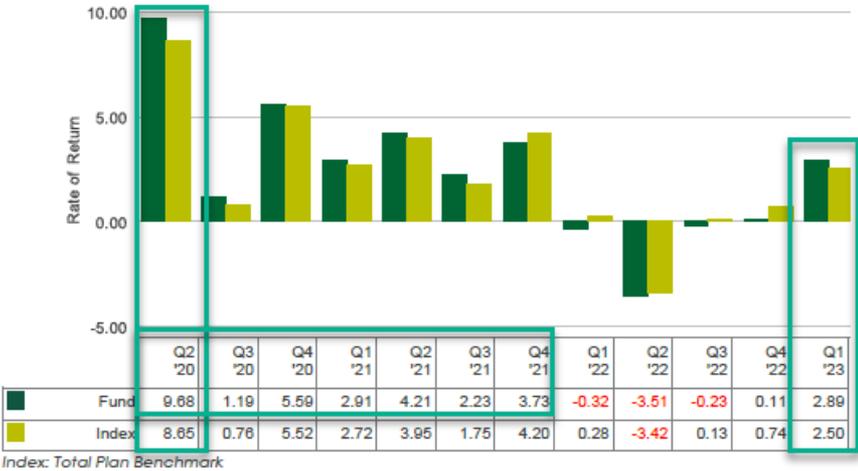
	Weights						Rate of Returns			Attribution Effects		
	Beginning Weights	Beginning Excess Weight	Average Weights	Average Excess Weight	Ending Weights	Ending Excess Weight	Return	Excess Return	Contributor	Relative Asset Allocation	Relative Stock Selection	Total Effect
<b>Suffolk County Council</b>	0.00	-100.00	100.00	0.00	100.00	0.00	1.67	-1.21	1.67	-0.16	-1.03	-1.18
<i>Total Plan Benchmark</i>	100.00		100.00		100.00		2.88		2.88			
<b>UK Equities</b>	0.00	-8.00	7.96	-0.04	8.23	0.23	3.26	-1.86	0.26	-0.02	-0.14	-0.16
<i>FTSE All Share</i>	8.00		8.00		8.00		5.11		0.44			
<b>Overseas Equities</b>	0.00	-34.00	37.48	3.36	37.87	3.37	2.44	-0.51	0.94	-0.05	-0.19	-0.24
<i>Overseas Equity</i>	34.00		34.11		34.50		2.95		1.12			
<b>Total Bonds</b>	0.00	-26.00	24.00	-2.00	23.73	-2.27	-4.39	-4.26	-1.08	-0.00	-1.05	-1.05
<i>Total Bonds</i>	26.00		26.00		26.00		-0.13		-0.04			
<b>Property</b>	0.00	-10.00	9.34	-0.66	8.54	-1.46	-0.81	0.42	-0.08	-0.00	0.00	-0.00
<i>Property All Balanced Funds</i>	10.00		10.00		10.00		-1.23		-0.04			
<b>Total Private Equity</b>	0.00	-4.00	4.76	0.76	4.38	0.38	5.22	3.95	0.25	-0.01	0.18	0.17
<i>Private Equity MSCI ACWI</i>	4.00		4.00		4.00		1.27		0.07			
<b>Total Infrastructure</b>	0.00	-10.00	8.47	-1.53	9.86	-0.14	13.13	5.13	1.04	-0.10	0.39	0.29
<i>Infrastructure 8% Absolute</i>	10.00		10.00		10.00		8.00		0.78			
<b>Total Absolute Return</b>	0.00	-5.00	4.52	-0.48	3.77	-1.23	2.87	-4.17	0.13	-0.02	-0.18	-0.20
<i>Absolute Return GBP Sonia+5%</i>	5.00		5.00		5.00		7.04		0.35			
<b>Illiquid Debt</b>	0.00	-2.00	2.77	0.77	2.85	0.85	8.88	0.88	0.18	0.05	-0.03	0.01
<i>Illiquid Debt 8% Absolute</i>	2.00		2.00		2.00		8.00		0.16			
<b>Timber</b>	0.00	-0.50	0.14	-0.25	0.01	0.01	-31.69	-39.69	0.01	-0.01	-0.00	-0.01
<i>Timber 8% Absolute Return</i>	0.50		0.39		0.00		8.00		0.03			
<b>Cash</b>	0.00	-0.50	0.55	0.05	0.77	0.27	4.53	2.58	0.01	0.02	0.00	0.02
<i>GBP 3M Sonia</i>	0.50		0.50		0.50		1.95		0.01			

• Positive absolute but negative relative performance for the period from September 2021 to the end of the last financial year. Asset allocation effects are minimal, again it is stock selection that drives the underperformance and again that is down to stock picking in the bonds section. Infrastructure regains some excess return with strong outperformance vs the 8% pa target rate of return.

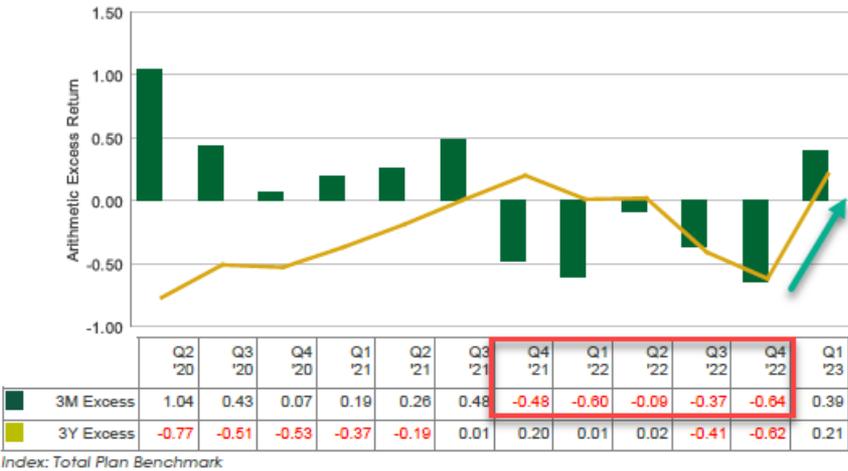
• The absolute performance of 1.67% is better and owes thanks largely to infrastructure as well as the overseas equities section. Its only bonds and property, as well as timber, that depreciate over this slightly longer time period.

# SUFFOLK COUNTY COUNCIL 2022-2023 – 3 YEARS ROLLING QUARTERS

SUFFOLK COUNTY COUNCIL ROLLING QUARTERS TOTAL FUND NET OF FEES



SUFFOLK COUNTY COUNCIL ROLLING QUARTERS TOTAL FUND NET OF FEES



- Over 3 years (+9.61% pa vs +9.41% pa) the plan has moved ahead of benchmark after a sustained period of outperformance through most of 2020 and 2021, capitalising on positive market conditions and a return to appreciation, then outperformance again in the last quarter.
- The fund has lost value on an absolute basis in three quarters from the last twelve and has underperformed in five quarters.

# SUFFOLK COUNTY COUNCIL 2022-2023 – CONTRIBUTION TO RETURN

Suffolk County Council		Mar 2023			
Policy Contribution Detail					
Group/Account	Average Weight 1 Yr.	ROR 1 Yr.	Contribution 1 Yr.		
▼ Suffolk County Council	100.00	-0.85	-0.85		
BlackRock- Link Fund	7.92	4.52	0.36		
UBS Emerging	1.00	-4.14	-0.04		
UBS Global	22.71	0.56	0.15		
Newton - Link Fund	13.52	0.04	0.01		
M&G Bonds	0.02	--	0.01		
UBS Bonds	2.89	-30.54	-1.12		
BlackRock FIGO	7.44	-1.85	-0.31		
M&G - Link Alpha Opps Fund	10.43	1.91	0.20		
Schroders	9.56	-11.46	-1.12		
Pantheon	4.52	-3.96	-0.18		
Wilshire	0.28	-10.44	-0.02		
KKR	0.46	-2.47	-0.03		
JPM Infrastructure	5.03	8.48	0.42		
M&G Infrastructure	1.60	15.80	0.24		
Partners Infrastructure	1.93	19.84	0.34		
Pyrford	4.40	1.45	0.06		
Partners Illiquid	1.89	5.22	0.10		
M&G Illiquid Debt	1.15	-7.84	-0.05		
Brookfield	0.10	-43.57	0.01		
In-House Cash	0.57	2.38	0.01		
Janus Henderson	2.68	--	0.08		
Cash & Other Assets	0.01	--	0.00		
Cash & Other Assets	0.00	-208.54	-0.00		

- This analysis shows the contribution to absolute return over the financial year ending March 2023.

**SUFFOLK COUNTY COUNCIL 2022-2023**

**ADDITIONAL ANALYSIS**

# SUFFOLK COUNTY COUNCIL 2022-2023 – UBS ILG

UBS BONDS ROLLING QUARTERS TOTAL FUND NET OF FEES



Index: FTSE Index Linked Gilts > 5 Ye

UBS BONDS ROLLING QUARTERS TOTAL FUND NET OF FEES

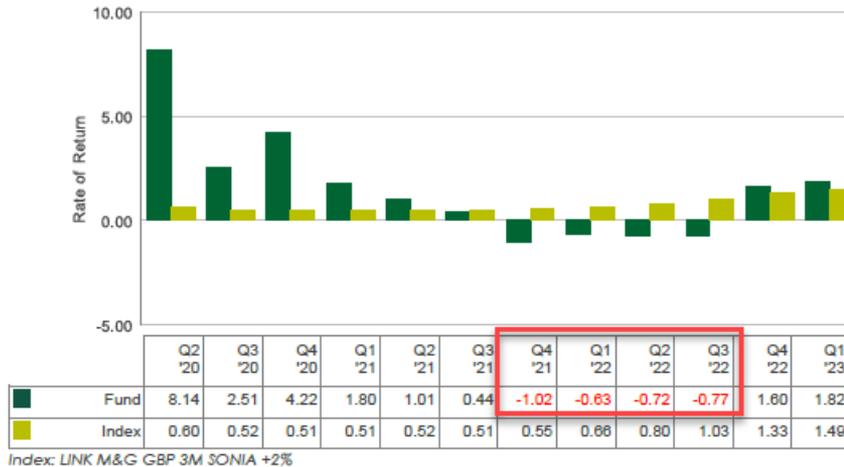


Index: FTSE Index Linked Gilts > 5 Ye

- Just four quarters of outperformance from the last twelve.
- Now moved behind since inception.

# SUFFOLK COUNTY COUNCIL 2022-2023 – M&G ALPHA OPPS

M&G - LINK ALPHA OPPS FUND ROLLING QUARTERS TOTAL FUND NET OF FEES



M&G - LINK ALPHA OPPS FUND ROLLING QUARTERS TOTAL FUND NET OF FEES



- Seven quarters of outperformance from twelve leaving the portfolio ahead over the three year window.
- A difficult year following poor relative and absolute performance in the June and September quarters.
- Much less volatility after a particularly volatile 2020.

# SUFFOLK COUNTY COUNCIL 2022-2023 – M&G ILLIQUID DEBT

M&G ILLIQUID DEBT ROLLING QUARTERS TOTAL FUND NET OF FEES



Index: M&G 8% Absolute Return

M&G ILLIQUID DEBT ROLLING QUARTERS TOTAL FUND NET OF FEES

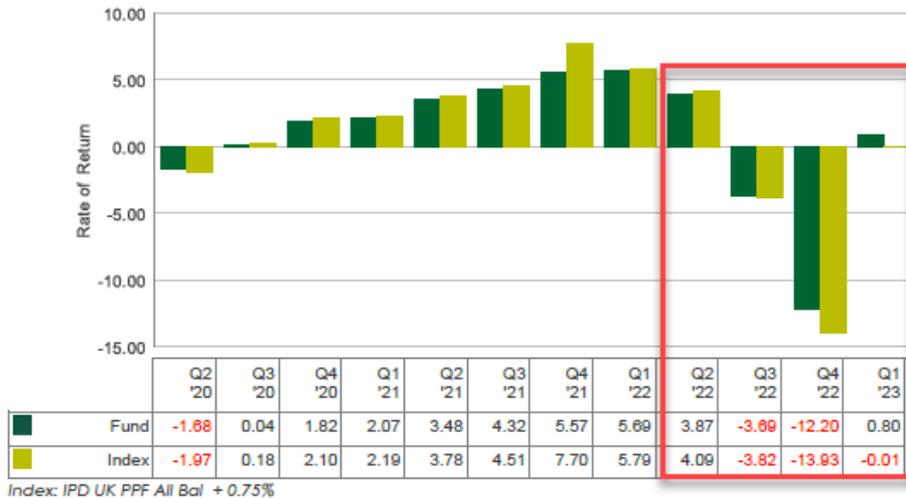


Index: M&G 8% Absolute Return

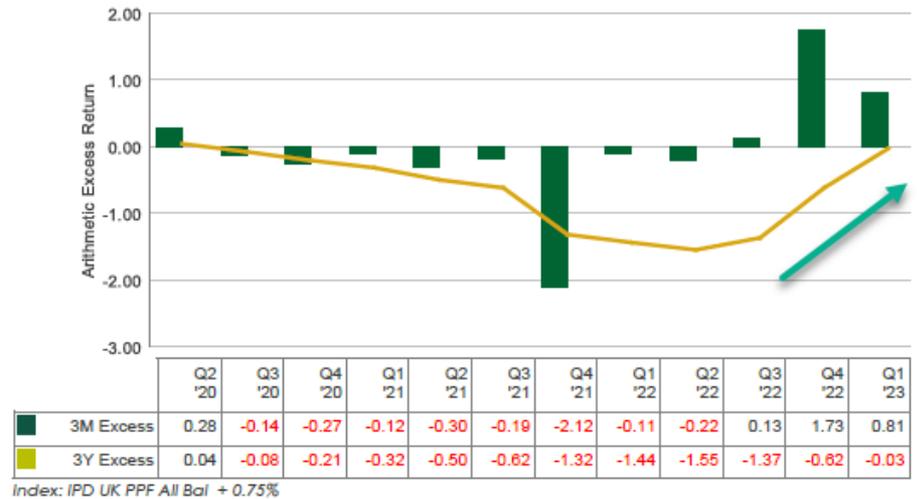
- Five quarters of outperformance from twelve, remaining behind since inception.
- Concerning performance trend since the end of calendar year 2021.

# SUFFOLK COUNTY COUNCIL 2022-2023 – SCHRODERS PROPERTY

SCHRODERS ROLLING QUARTERS TOTAL FUND NET OF FEES



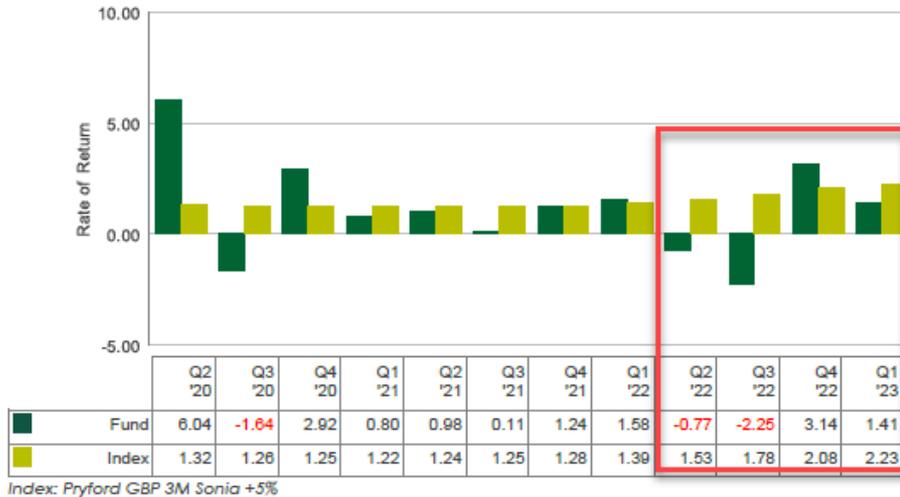
SCHRODERS ROLLING QUARTERS TOTAL FUND NET OF FEES



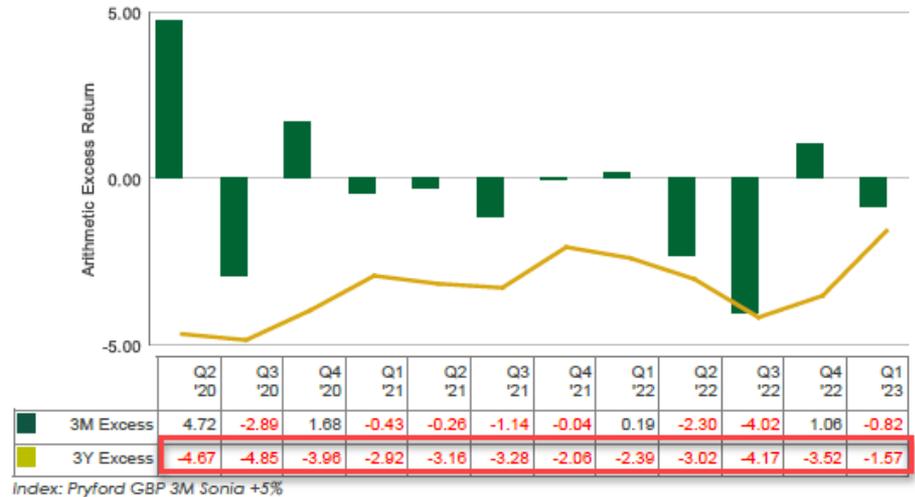
- Just four quarters of outperformance from twelve.
- Improving three year rolling excess return.
- A very challenging year for this asset class.

# SUFFOLK COUNTY COUNCIL 2022-2023 – PYRFORD ABSOLUTE RETURN

PYRFORD ROLLING QUARTERS TOTAL FUND NET OF FEES



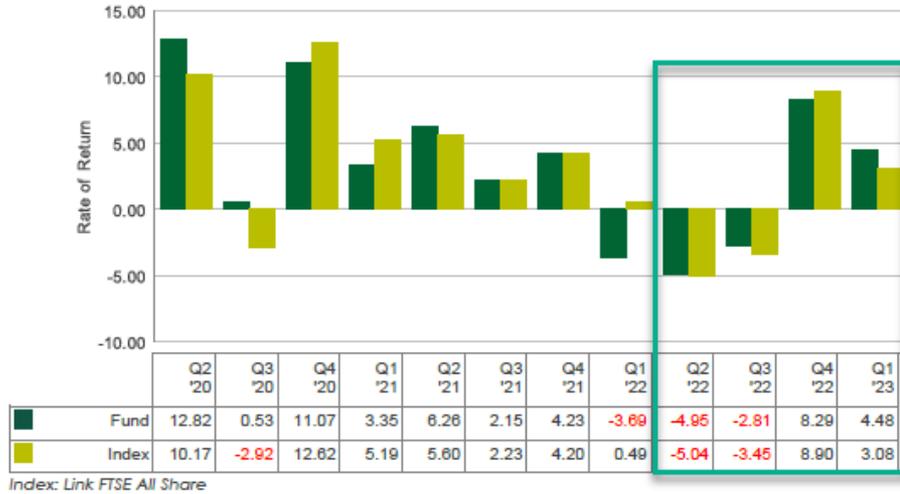
PYRFORD ROLLING QUARTERS TOTAL FUND NET OF FEES



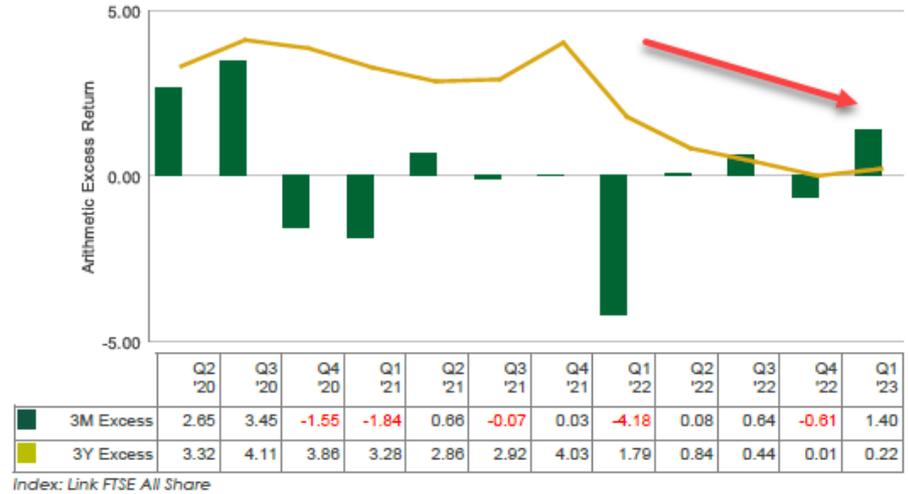
- Just four quarters of outperformance from twelve.
- Returns are typically weaker than other asset classes and consistently behind the benchmark over the rolling three year period.
- Promises lower volatility and downside protection. Faces an increasing target in the benchmark.

# SUFFOLK COUNTY COUNCIL 2022-2023 – BLACKROCK LINK UK EQUITY

BLACKROCK LINK FUND ROLLING QUARTERS TOTAL FUND NET OF FEES

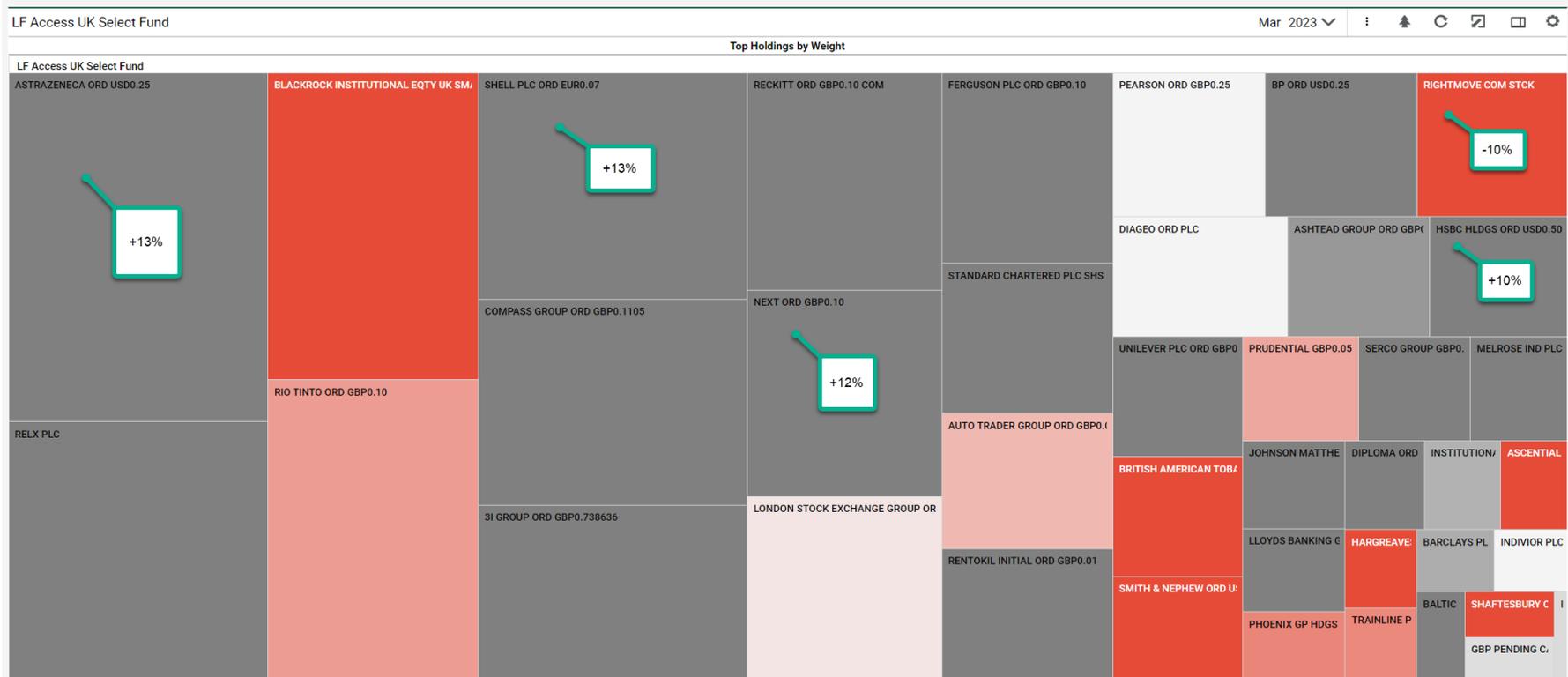


BLACKROCK LINK FUND ROLLING QUARTERS TOTAL FUND NET OF FEES



- Weaker absolute performance over one year to March; +4.5% vs +2.9% (was +9% vs +13%) but better relative performance; +1.6%.
- Strong absolute and relative performance over three years (+14% pa vs +13.8% pa).

# SUFFOLK COUNTY COUNCIL 2022-2023 – BLACKROCK UK EQUITY



- This treemap comes from our Radar system.
- The size of each block represents the value of the holding and the colour represents the rate of return. The darker shades of grey are the higher returning investments.
- I have picked out some 1 year returns from some of your largest and best known stocks.

# SUFFOLK COUNTY COUNCIL 2022-2023 – BLACKROCK UK EQUITY

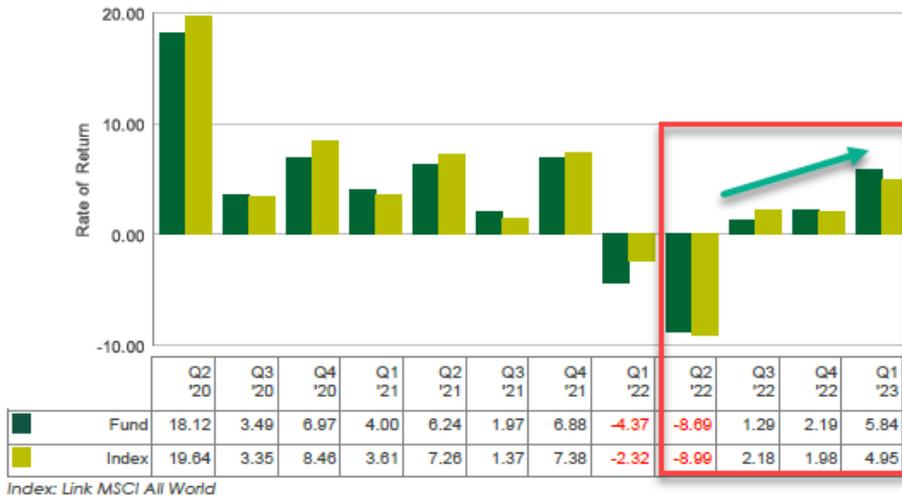
Group/Account ▾→	Equity Attribution										
	Average Weight	Average Weight Excess	ROR	Excess ROR	Relative ROR	Contribution	Asset Allocation	Stock Selection	Unhedged Currency	Hedged Currency	Total Mgmt. Effect
▼ LF Access UK Select Fund FTSE All Share GBP	100.00 100.00	0.00	4.88 2.92	1.96	1.90	4.88 2.92	-0.56	2.48	0.00	0.00	1.90
▼ Equity FTSE All Share	97.03 100.00	-2.97	4.63 2.92	1.71	1.66	4.68 2.92	-0.85	2.48	0.00	0.00	1.61
Basic Materials Basic Materials	7.56 8.23	-0.67	-1.03 -8.53	7.50	8.20	-0.16 -0.78	0.02	0.63	0.00	0.00	0.65
Consumer Discretionary Consumer Discretionary	18.34 10.63	7.71	10.63 7.32	3.31	3.08	2.03 0.83	0.55	0.26	0.00	0.00	0.81
Consumer Goods -	0.00 0.00	0.00	--	--	--	0.00 0.00	0.00	0.00	0.00	0.00	0.00
Consumer Services -	0.00 0.00	0.00	--	--	--	0.00 0.00	0.00	0.00	0.00	0.00	0.00
Consumer Staples Consumer Staples	11.36 15.70	-4.35	3.54 6.26	-2.72	-2.56	0.31 0.96	-0.21	-0.37	0.00	0.00	-0.58
Financials Financials	16.02 22.32	-6.30	9.48 0.05	9.43	9.43	1.64 -0.02	0.18	1.53	0.00	0.00	1.71
Health Care Health Care	10.49 11.34	-0.86	7.35 4.55	2.80	2.68	0.89 0.57	0.09	0.30	0.00	0.00	0.39
Industrials Industrials	10.65 10.99	-0.34	8.01 7.45	0.56	0.52	0.72 0.82	-0.13	0.11	0.00	0.00	-0.03
Oil & Gas Energy	8.63 11.23	-2.60	18.30 20.73	-2.43	-2.01	1.32 1.96	-0.50	-0.16	0.00	0.00	-0.66
Real Estate Real Estate	3.06 2.84	0.23	-14.62 -29.14	14.51	20.48	-0.61 -7.02	-0.14	0.60	0.00	0.00	0.46
Technology Technology	3.87 1.28	2.59	-8.05 0.33	-8.38	-8.35	-0.45 0.01	-0.05	-0.42	0.00	0.00	-0.47
Telecommunications Telecommunications	0.00 1.89	-1.89	--	--	--	0.00 -0.45	0.47	0.00	0.00	0.00	0.47
Utilities Utilities	0.00 3.55	-3.55	--	--	--	0.00 0.04	0.05	0.00	0.00	0.00	0.05

• Over one year the outperformance was driven by very strong stock selection in Financials boosted by underweighting what was a below average performing sector.

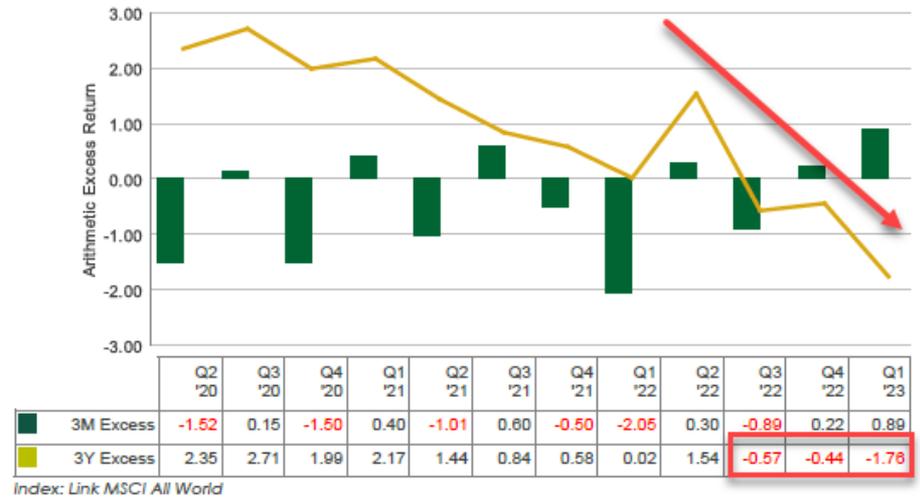
• Underweighting the strongest performing energy sector lost relative value over one year. Weaker stocks than those in the benchmark were also chosen.

# SUFFOLK COUNTY COUNCIL 2022-2023 – NEWTON OVERSEAS EQUITY

NEWTON - LINK FUND ROLLING QUARTERS TOTAL FUND NET OF FEES



NEWTON - LINK FUND ROLLING QUARTERS TOTAL FUND NET OF FEES



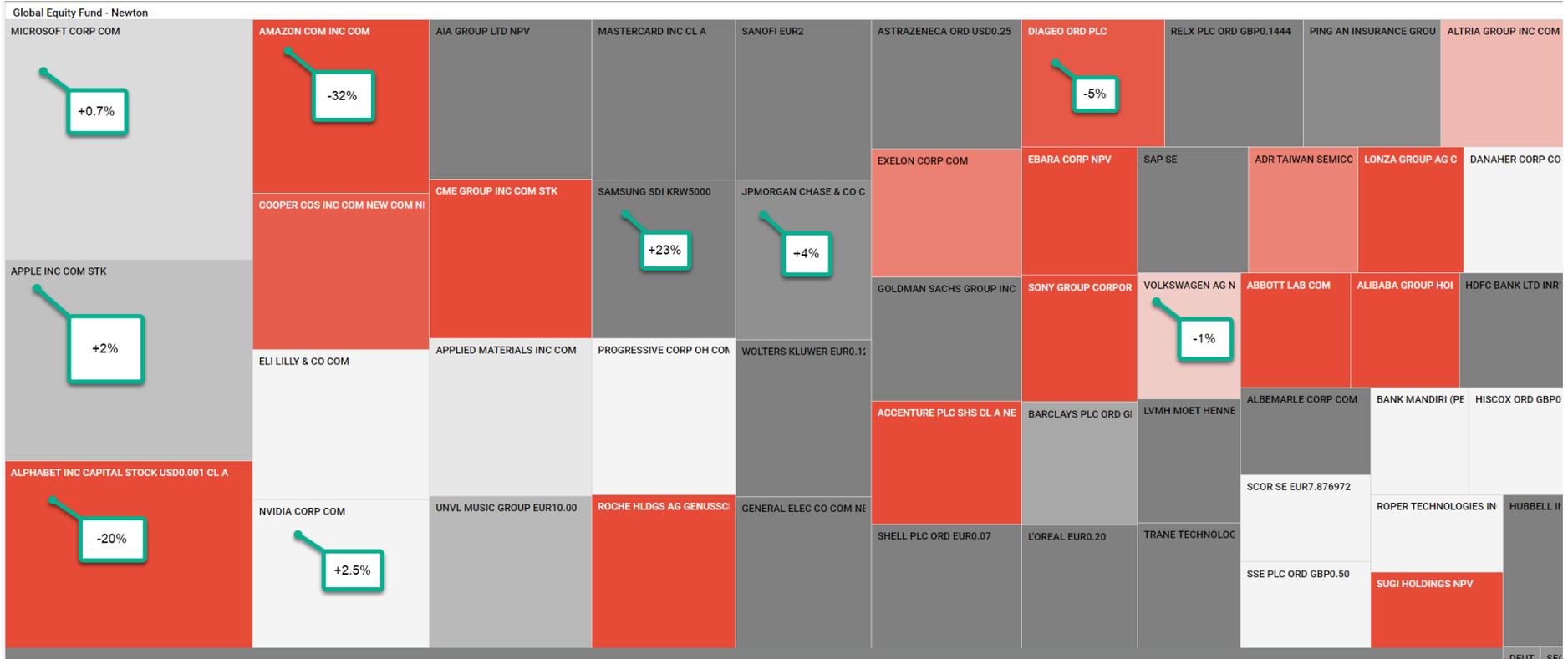
- Weaker performance over one year; +0.04% vs -0.48% from MSCI All World index.
- Middle range performance vs other equity portfolios but failed to beat the benchmark over three years.

# SUFFOLK COUNTY COUNCIL 2022-2023 – NEWTON OVERSEAS EQUITY

Global Equity Fund - Newton

Mar 2023 ▾ ⌵ ↺ 📄 ⚙️

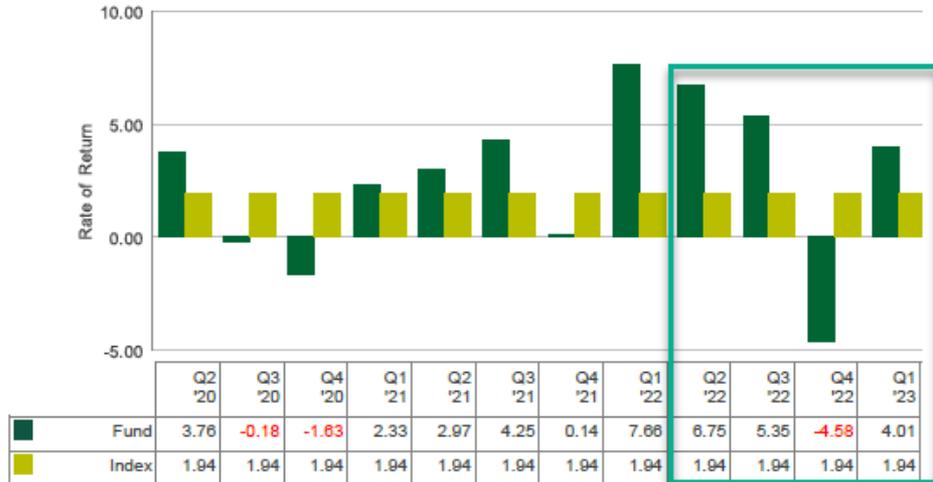
Top Holdings by Weight



- The size of each block represents the value of the holding and the colour represents the rate of return. The darker shades of grey are the higher returning investments. Apple is now the 2<sup>nd</sup> largest holding and one of only six of the top ten holdings to appreciate over 1 year.

# SUFFOLK COUNTY COUNCIL 2022-2023 – INFRASTRUCTURE

TOTAL INFRASTRUCTURE ROLLING QUARTERS TOTAL FUND NET OF FEES



Index: Infrastructure 8% Absolute

TOTAL INFRASTRUCTURE ROLLING QUARTERS TOTAL FUND NET OF FEES

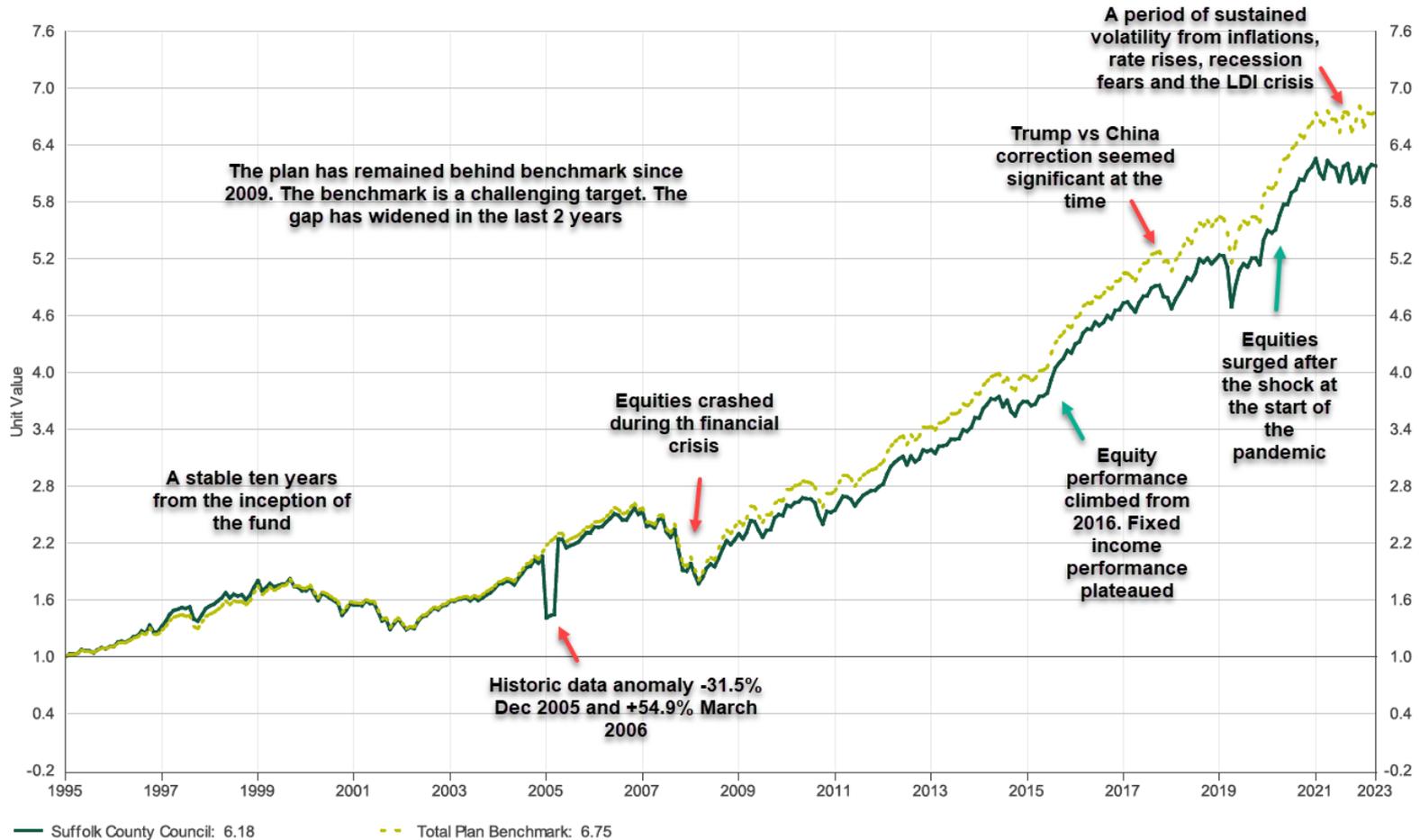


Index: Infrastructure 8% Absolute

- Eight quarters of outperformance from twelve.
- Strong performance over the long term leading to a three year return of more than 10% pa.
- Three year rolling excess is positive for more than three years.

# SUFFOLK COUNTY COUNCIL 2022-2023 – GROWTH OVER TIME

Growth Over Time - Inception to Date



- Looking at the performance of the total fund vs the total plan benchmark.
- The fortunes of the plan have been dominated by the equity portfolio since 2008.

# SUFFOLK COUNTY COUNCIL 2022-2023 – PIRC UNIVERSE DATA

## TOTAL FUND PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>-1.6</b>		<b>9.5</b>		<b>5.9</b>		<b>7.3</b>		<b>8.4</b>		<b>7.7</b>	
Range of Results												
Upper Quartile	-1.6		10.1		6.2		7.6		8.6		7.7	
Median	-3.3		9.2		5.7		7.2		8.3		7.5	
Lower Quartile	-4.6		8.0		5.1		6.6		7.8		7.3	
Suffolk Pension Fund	-0.9	17	9.5	42	5.9	40	7.3	41	8.1	60		

## EQUITY PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>0.0</b>		<b>14.5</b>		<b>7.6</b>		<b>8.8</b>		<b>10.0</b>		<b>8.4</b>	
Range of Results												
Upper Quartile	0.0		15.1		8.7		9.6		10.3		8.6	
Median	-1.2		14.2		7.9		8.9		9.8		8.3	
Lower Quartile	-2.5		13.3		7.0		8.1		9.6		8.0	
Suffolk Pension Fund	1.0	20	15.6	15	9.1	16	9.6	25	10.0	38		

## BOND PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>-9.1</b>		<b>-0.9</b>		<b>0.3</b>		<b>2.6</b>		<b>4.6</b>		<b>5.7</b>	
Range of Results												
Upper Quartile	-4.0		1.9		0.6		2.9		4.7		5.9	
Median	-8.6		-0.7		-0.2		2.3		4.5		5.6	
Lower Quartile	-13.4		-3.1		-1.2		1.6		3.8		5.0	
Suffolk Pension Fund	-4.6	29	2.7	19	0.9	21	3.2	13	5.0	13		

- 3<sup>rd</sup> party universe analysis.

# SUFFOLK COUNTY COUNCIL 2022-2023 – PIRC UNIVERSE DATA

## ALTERNATIVE PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank
<b>Universe Average</b>	<b>6.5</b>		<b>11.6</b>		<b>10.3</b>		<b>9.8</b>	
Range of Results								
Upper Quartile	11.3		13.3		12.7		11.4	
Median	7.3		11.1		9.9		8.2	
Lower Quartile	3.5		8.0		8.1		6.9	
Suffolk Pension Fund	4.6	65	10.2	61	8.6	62	8.1	54

## PROPERTY PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>-7.9</b>		<b>2.9</b>		<b>3.2</b>		<b>6.8</b>		<b>6.0</b>		<b>7.8</b>	
Range of Results												
Upper Quartile	-7.6		3.5		3.5		7.0		6.2		8.0	
Median	-10.4		2.4		2.5		6.6		5.4		7.4	
Lower Quartile	-13.9		1.4		1.9		5.8		4.8		6.6	
Suffolk Pension Fund	-11.5	58	2.3	58	2.5	48	6.8	44	5.4	49		

## ASSET ALLOCATION AT END MARCH

	Equity		Bonds		Alternatives		Property		Cash		Diversified Growth	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Average</b>	<b>51</b>	<b>52</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>17</b>	<b>9</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Range												
Top Quartile	59	60	22	22	21	17	10	10	3	2	8	9
Median	54	54	17	18	13	11	8	9	1	1	0	0
Bottom Quartile	46	46	12	13	8	6	6	7	1	0	0	0
Suffolk Pension Fund	46	45	24	24	21	20	9	10	1	1	0	0

• 3<sup>rd</sup> party universe analysis.

# SUFFOLK COUNTY COUNCIL 2021-2022 – PIRC UNIVERSE DATA

## TOTAL FUND PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>8.6</b>		<b>8.3</b>		<b>7.1</b>		<b>8.9</b>		<b>7.3</b>		<b>8.5</b>	
Range of Results												
Upper Quartile	10.0		9.3		7.7		9.2		7.5		8.7	
Median	8.0		8.6		7.0		8.8		7.1		8.4	
Lower Quartile	6.0		7.6		6.5		8.3		6.9		8.2	
Suffolk Pension Fund	10.1	21	8.2	64	6.9	62	8.8	51	7.1	59		

## EQUITY PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>7.6</b>		<b>10.2</b>		<b>8.4</b>		<b>10.6</b>		<b>8.0</b>		<b>9.2</b>	
Range of Results												
Top Quartile	10.2		12.1		9.9		11.7		8.4		9.6	
Median	8.2		11.1		8.9		10.7		7.9		9.2	
Bottom Quartile	5.5		9.4		8.1		10.0		7.7		8.9	
Suffolk Pension Fund	12.2	7	11.3	44	9.5	39	11.3	33	8.0	44		

## BOND /CREDIT PERORMANCE

FundName	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>-0.3</b>		<b>2.6</b>		<b>2.5</b>		<b>4.5</b>		<b>5.7</b>		<b>6.9</b>	
Range of Results												
Top Quartile	1.1		2.8		2.8		5.2		6.1		7.2	
Median	-1.1		2.4		2.4		4.4		5.6		6.7	
Bottom Quartile	-2.8		1.9		1.8		3.7		4.9		6.4	
Suffolk Pension Fund	-1.6	56	2.7	37	2.2	58						

- 3<sup>rd</sup> party universe analysis.

# SUFFOLK COUNTY COUNCIL 2021-2022 – PIRC UNIVERSE DATA

## ALTERNATIVES PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank
<b>Universe Average</b>	<b>19.0</b>		<b>11.0</b>		<b>9.8</b>		<b>10.0</b>	
Range of Results								
Top Quartile	24.4		13.1		12.0		11.8	
Median	16.1		9.9		8.6		9.1	
Bottom Quartile	10.5		7.5		6.7		6.9	
Suffolk Pension Fund	10.6	75	7.4	74	6.4	77	7.4	67

## PROPERTY PERFORMANCE

	1 Year	Rank	3 Yrs (%p.a.)	Rank	5Yrs (%p.a.)	Rank	10 Yrs (%p.a.)	Rank	20 Yrs (% p.a.)	Rank	30 Yrs (% p.a.)	Rank
<b>Universe Average</b>	<b>17.9</b>		<b>6.3</b>		<b>6.8</b>		<b>8.0</b>		<b>7.0</b>		<b>8.2</b>	
Range of Results												
Top Quartile	21.0		7.7		7.7		8.5		7.2		8.6	
Median	18.8		6.5		6.9		7.8		6.7		7.9	
Bottom Quartile	15.3		5.5		6.3		6.8		5.8		7.2	
Suffolk Pension Fund	20.5	33	6.7	47	6.6	59	8.2	34	6.7	45		

## ASSET ALLOCATION AT END MARCH

	Equity		Bonds		Alternatives		Property		Cash		Diversified Growth	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Average</b>	<b>52</b>	<b>56</b>	<b>18</b>	<b>17</b>	<b>17</b>	<b>14</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Range</b>												
Top Quartile	60	64	22	22	17	15	10	9	2	3	9	9
Median	54	57	18	18	11	8	9	8	1	1	0	0
Bottom Quartile	46	49	13	12	6	4	7	3	0	0	0	0
Suffolk Pension Fund	45	42	14	20	30	29	10	9	2	1	0	0

• 3<sup>rd</sup> party universe analysis.

# SUFFOLK COUNTY COUNCIL 2022-2023 – EQ MANAGER RETURNS NOF

Suffolk County Council										
Historical Returns										
Group/Account ↑ ↓ ↔	MV Last Month End	% of Total Last Month End	ROR						Inception Date	
			1 Yr.	30/09/2021 - 31/03/2023	3 Yrs.	5 Yrs.	10 Yrs.	ITD		
✓ Suffolk County Council Total Plan Benchmark Excess	3,738,321,227	100.00	-0.85 -0.14 -0.71	1.67 2.88 -1.21	9.61 9.41 0.21	5.90 6.35 -0.44	7.30 7.52 -0.22	6.91 7.26 -0.35	31/12/1995	
✓ Total Equities Total Equities Excess	1,723,407,599	46.10	0.98 0.16 0.81	2.59 3.40 -0.82	15.57 15.76 -0.19	8.72 8.04 0.68	9.53 -- --	7.63 -- --	31/12/1995	
✓ UK Equities FTSE All Share Excess	307,846,528	8.23	4.52 2.92 1.60	3.26 5.11 -1.86	14.98 13.81 1.17	6.36 5.04 1.33	7.10 -- --	6.63 -- --	31/12/1995	
BlackRock- Link Fund Link FTSE All Share Excess	307,846,528	8.23	4.52 2.92 1.60	3.26 5.11 -1.86	14.03 13.81 0.22	6.57 5.04 1.54	7.58 5.81 1.77	7.31 5.23 2.08	31/07/2007	
✓ Overseas Equities Overseas Equity Excess	1,415,561,072	37.87	0.24 -0.52 0.76	2.44 2.95 -0.51	16.19 16.76 -0.57	10.33 9.68 0.64	10.97 -- --	7.92 -- --	31/12/1995	
✓ Emerging FTSE Emerging Excess	36,378,991	0.97	-4.14 -3.87 -0.27	-5.38 -5.12 -0.26	8.82 9.38 -0.56	2.43 3.01 -0.58	-- -- --	7.01 8.41 -1.40	31/03/2016	
UBS Emerging UBS FTSE Emerging Excess	36,378,991	0.97	-4.14 -3.87 -0.27	-5.38 -5.12 -0.26	8.82 9.38 -0.56	2.43 3.01 -0.58	-- -- --	7.01 8.41 -1.40	31/03/2016	
✓ Global Global Composite Excess	1,379,182,081	36.89	0.36 -0.46 0.82	2.66 3.17 -0.51	16.40 16.99 -0.58	-- -- --	-- -- --	10.40 9.66 0.74	31/03/2019	
Newton - Link Fund Link MSCI All World Excess	519,455,881	13.90	0.04 -0.48 0.51	1.49 2.90 -1.41	14.64 16.40 -1.76	10.92 10.19 0.73	10.87 10.57 0.30	9.34 8.88 0.46	31/07/2007	
UBS Global RAFI AW Proxy/FTSE AW Dev Excess	859,726,201	23.00	0.56 -0.45 1.01	3.38 3.32 0.06	17.63 17.69 -0.05	10.33 10.46 -0.13	-- -- --	8.90 9.17 -0.27	31/12/2017	

# SUFFOLK COUNTY COUNCIL 2022-2023 – BOND, RE & PE RETURNS NOF

Suffolk County Council											Mar 31 2023	
Historical Returns												
Group/Account ↑ ↓ →	MV Last Month End	% of Total Last Month End	ROR							Inception Date		
			1 Yr.	30/09/2021 - 31/03/2023	3 Yrs.	5 Yrs.	10 Yrs.	ITD				
√ Total Bonds <i>Total Bonds Excess</i>	887,087,786	23.73	-4.62	-4.39	2.68	1.38	2.85	4.91		31/12/2003		
			-1.08	-0.13	1.72	2.79	--	--				
			-3.54	-4.26	0.96	-1.41	--	--				
BlackRock FIGO	1	0.00	--	--	--	--	--	--		31/03/2016		
Janus Henderson <i>SONIA + 3.7% Excess</i>	373,012,655	9.98	--	--	--	--	--	0.29	2.53	23/11/2022		
			--	--	--	--	--	--	-2.24			
M&G - Link Alpha Opps Fund <i>LINK M&amp;G GBP 3M SONIA +2% Excess</i>	403,434,541	10.79	1.91	0.16	6.15	3.17	--	3.74	4.28	31/03/2016		
			4.73	3.96	3.04	3.83	--	4.28				
			-2.81	-3.80	3.12	-0.66	--	-0.54				
UBS Bonds <i>FTSE Index Linked Gilts &gt; 5 Ye Excess</i>	110,640,589	2.96	-30.54	-22.28	-9.34	-4.37	--	-0.23	-0.08	31/03/2016		
			-30.44	-22.21	-9.22	-4.13	--	-0.08				
			-0.10	-0.07	-0.12	-0.23	--	-0.16				
√ Property <i>Property All Balanced Funds Excess</i>	319,116,731	8.54	-11.46	-0.81	2.28	2.14	6.62	6.16		31/12/1995		
			-13.84	-1.23	2.94	2.70	--	--				
			2.38	0.42	-0.66	-0.57	--	--				
Schrodgers <i>IPD UK PPF All Bal + 0.75% Excess</i>	319,116,731	8.54	-11.46	-0.81	2.92	2.54	6.64	6.02		31/05/2001		
			-13.84	-1.23	2.94	2.70	6.53	5.58				
			2.38	0.42	-0.03	-0.16	0.11	0.44				
√ Total Private Equity <i>Private Equity MSCI ACWI Excess</i>	163,806,539	4.38	-4.27	5.22	17.95	14.11	13.19	3.77		31/03/2003		
			-1.43	1.27	16.08	10.31	--	--				
			-2.84	3.95	1.87	3.80	--	--				
Pantheon <i>Pantheon MSCI AC World Excess</i>	155,851,642	4.17	-3.96	6.03	18.94	14.15	--	14.13	8.98	31/03/2017		
			-1.43	1.27	16.08	10.31	--	8.98				
			-2.53	4.76	2.86	3.84	--	5.15				
Wilshire <i>Wiltshire MSCI AC World Index Excess</i>	7,954,897	0.21	-10.44	-5.90	7.89	11.55	--	15.12	12.11	31/03/2016		
			-1.43	1.27	16.08	10.31	--	12.11				
			-9.01	-7.17	-8.19	1.24	--	3.00				

# SUFFOLK COUNTY COUNCIL 2022-2023 – ALTS RETURNS NOF

Suffolk County Council		Historical Returns		ROR						Inception Date
Group/Account ↑↕	MV Last Month End	% of Total Last Month End	1 Yr.	30/09/2021 - 31/03/2023	3 Yrs.	5 Yrs.	10 Yrs.	ITD		
			▼ Total Infrastructure <i>Infrastructure 8% Absolute Excess</i>	368,414,495	9.86	11.61 8.00 3.61	13.13 8.00 5.13	10.43 8.00 2.43		12.63 8.00 4.63
JPM Infrastructure <i>JPM 8% Absolute Return Excess</i>	218,866,887	5.85	8.48 8.00 0.48	11.18 8.00 3.18	6.46 8.00 -1.54	-- -- --	-- -- --	6.09 8.00 -1.91	31/12/2018	
KKR Global Infrastructure <i>8% Absolute Return Excess</i>	25,755,895	0.69	-- -- --	-- -- --	-- -- --	-- -- --	-- -- --	-2.43 7.34 -9.77	28/04/2022	
M&G Infrastructure <i>M&amp;G 8% Absolute Return Excess</i>	67,501,817	1.81	15.80 8.00 7.80	12.92 8.00 4.92	16.49 8.00 8.49	11.32 8.00 3.32	-- -- --	12.83 8.00 4.83	31/03/2017	
Partners Infrastructure <i>Partners 8% Absolute Excess</i>	56,289,896	1.51	19.84 8.00 11.84	20.17 8.00 12.17	17.76 8.00 9.76	14.32 8.00 6.32	-- -- --	13.78 8.00 5.78	31/03/2017	
▼ Total Absolute Return <i>Absolute Return GBP Sonia+5% Excess</i>	140,958,887	3.77	1.45 7.84 -6.39	2.87 7.04 -4.17	4.48 6.08 -1.59	2.36 5.96 -3.60	-- -- --	2.24 5.81 -3.56	31/03/2016	
Pырford <i>Pырford GBP 3M Sonia +5% Excess</i>	140,958,887	3.77	1.45 7.84 -6.39	2.87 7.04 -4.17	4.51 6.08 -1.57	2.67 5.96 -3.29	-- -- --	1.72 5.87 -4.15	31/03/2017	
▼ Illiquid Debt <i>Illiquid Debt 8% Absolute Excess</i>	106,367,402	2.85	1.24 8.00 -6.76	8.88 8.00 0.88	5.46 8.00 -2.54	0.73 8.00 -7.27	-- -- --	3.84 8.00 -4.16	31/03/2016	
M&G Illiquid Debt <i>M&amp;G 8% Absolute Return Excess</i>	31,311,512	0.84	-7.84 8.00 -15.84	-5.06 8.00 -13.06	1.51 8.00 -6.49	-1.55 8.00 -9.55	-- -- --	2.16 8.00 -5.84	31/03/2016	
Partners Illiquid <i>Partners 8% Absolute Return Excess</i>	75,055,890	2.01	5.22 8.00 -2.78	26.40 8.00 18.40	-- -- --	-- -- --	-- -- --	7.40 8.00 -0.60	30/09/2020	
▼ Timber <i>Timber 8% Absolute Return Excess</i>	235,407	0.01	-43.57 8.00 -51.57	-31.69 8.00 -39.69	-16.14 8.00 -24.14	-6.07 8.00 -14.07	-- -- --	4.08 7.99 -3.91	31/12/2013	
Brookfield <i>Brookfield 8% Absolute Excess</i>	235,407	0.01	-43.57 8.00 -51.57	-31.69 8.00 -39.69	-16.16 8.00 -24.16	-6.16 8.00 -14.16	-- -- --	3.91 7.99 -4.08	31/12/2013	
▼ Cash	28,926,381	0.77	5.57	4.53	3.66	3.78	3.75	3.83	31/12/1995	

# SUFFOLK COUNTY COUNCIL 2022-2023 – CASH RETURNS

Suffolk County Council				Mar 31 2023						
Historical Returns										
Group/Account	MV Last Month End	% of Total Last Month End	ROR						Inception Date	
			1 Yr.	30/09/2021 - 31/03/2023	3 Yrs.	5 Yrs.	10 Yrs.	ITD		
∨ Cash	28,926,381	0.77	5.57	4.53	3.66	3.78	3.75	3.83	31/12/1995	
Cash & Other Assets	179,031	0.00	--	--	--	--	--	--	30/09/2021	
Cash & Other Assets	0	0.00	--	--	--	--	--	--	31/03/2022	
Cash & Other Assets	0	0.00	--	--	--	--	--	--	30/09/2021	
Cash & Other Assets	0	0.00	--	--	--	--	--	--	30/09/2021	
Cash & Other Assets	0	0.00	--	--	--	--	--	--	30/09/2021	
In-House Cash	28,747,351	0.77	2.38	2.40	--	--	--	2.40	30/09/2021	
GBP 3M Sonia			2.72	1.95	--	--	--	1.95		
Excess			-0.33	0.46	--	--	--	0.46		

# SUFFOLK COUNTY COUNCIL – JUNE QUARTER 2023 YTD UNAUDITED

Suffolk County Council		Historical Returns							Inception Date
Group/Account ↑ ↓ →	MV Last Month End(31/05/2023)	% of Total Last Month End(31/05/2023)	ROR					ITD(31/05/2023)	Inception Date
			1 Yr. (31/05/2023)	3 Yrs. (31/05/2023)	5 Yrs. (31/05/2023)	10 Yrs. (31/05/2023)			
▼ Suffolk County Council	3,737,442,804	100.00	1.46	7.11	5.38	7.20	6.91	31/12/1995	
> Total Equities	1,744,271,048	46.67	4.79	11.28	7.44	9.29	7.63	31/12/1995	
> Total Bonds	925,167,921	24.75	-1.87	0.30	1.47	2.91	4.87	31/12/2003	
<i>Total Bonds Excess</i>			0.22	0.41	2.49	--	--		
<i>Excess</i>			-2.09	-0.11	-1.02	--	--		
> Property	322,102,857	8.62	-11.85	2.79	2.12	6.54	6.16	31/12/1995	
> Total Private Equity	166,823,360	4.46	-3.33	16.75	13.65	13.40	3.86	31/03/2003	
<i>Private Equity MSCI ACWI Excess</i>			2.55	10.36	8.92	--	--		
<i>Excess</i>			-5.88	6.39	4.74	--	--		
> Total Infrastructure	381,277,781	10.20	10.04	10.39	12.13	--	15.35	31/03/2016	
<i>Infrastructure 8% Absolute Excess</i>			8.00	8.00	8.00	--	8.00		
<i>Excess</i>			2.04	2.39	4.13	--	7.35		
> Total Absolute Return	65,617,979	1.76	0.25	2.63	1.91	--	2.11	31/03/2016	
<i>Absolute Return GBP Sonia+5% Excess</i>			8.44	6.31	6.09	--	5.90		
<i>Excess</i>			-8.19	-3.68	-4.18	--	-3.79		
> Illiquid Debt	104,415,915	2.79	4.82	6.63	1.34	--	4.31	31/03/2016	
<i>Illiquid Debt 8% Absolute Excess</i>			8.00	8.00	8.00	--	8.00		
<i>Excess</i>			-3.18	-1.37	-6.66	--	-3.69		
> Timber	136,978	0.00	-68.70	-30.41	-17.12	--	-1.80	31/12/2013	
<i>Timber 8% Absolute Return Excess</i>			8.00	8.00	8.00	--	7.99		
<i>Excess</i>			-76.70	-38.41	-25.12	--	-9.79		
> Cash	27,628,965	0.74	3.03	3.52	3.63	3.78	3.81	31/12/1995	

# SUFFOLK COUNTY COUNCIL 2022-2023

# APPENDIX

# SUFFOLK COUNTY COUNCIL 2022-2023 – MARCH 2023 MANAGER GROUPS

NORTHERN TRUST

Suffolk County Council | March 31, 2023

## Consolidated Manager UBS LINK M&G Partners

Account/Group -Rate of Return	E.MV-NOF	End Wt	Three Months		
			Portfolio	Index	Excess
UBS Emerging	36,378,991	0.97	0.58	0.20	0.38
UBS FTSE Emerging					
UBS Global	859,726,201	23.00	3.74	2.45	1.29
RAFI AW Proxy/FTSE AW Dev					
UBS Bonds	110,640,589	2.96	5.03	4.95	0.08
FTSE Index Linked Gilts > 5 Ye					

Account/Group -Rate of Return	E.MV-NOF	End Wt	Three Months		
			Portfolio	Index	Excess
BlackRock- Link Fund	307,846,528	8.23	4.48	3.08	1.40
Link FTSE All Share					
Newton - Link Fund	519,455,881	13.90	5.84	4.95	0.89
Link MSCI All World					
M&G - Link Alpha Opps Fund	403,434,541	10.79	1.82	1.49	0.33
LINK M&G GBP 3M SONIA +2%					
Janus Henderson SONIA + 3.7%	373,012,655	9.98	0.69	1.92	-1.22

Account/Group -Rate of Return	E.MV-NOF	End Wt	Three Months		
			Portfolio	Index	Excess
M&G Infrastructure	67,501,817	1.81	6.10	1.94	4.16
M&G 8% Absolute Return					
M&G Illiquid Debt	31,311,512	0.84	-13.16	1.94	-15.10
M&G 8% Absolute Return					

Account/Group -Rate of Return	E.MV-NOF	End Wt	Three Months		
			Portfolio	Index	Excess
Partners Infrastructure	56,289,896	1.51	6.40	1.94	4.46
Partners 8% Absolute					
Partners Illiquid	75,055,890	2.01	3.75	1.94	1.81
Partners 8% Absolute Return					

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Scott Douglas, Vice President, Investment Risk & Analytical Services (IRAS).

Scott oversees all EMEA LGPS and Wealth clients that take investment performance analysis reporting from Northern Trust. As client segment lead he is positioned to share insights and best practice across these groups to investment teams and boards as well as service teams at NT.

Scott works with both asset owners and asset managers on all matters concerning the performance measurement function of investments at both the portfolio and total plan levels. Analysis undertaken for clients includes formulating, implementing, monitoring, presenting and evaluating the various strategies of their mandates. Whenever the opportunity arises, Scott will attend committee meetings in order to present the analysis and underline what story the data is telling.

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July 2021



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## Suffolk Pension Board

<b>Report Title:</b>	Pensions Administration Performance
<b>Meeting Date:</b>	25 July 2023
<b>Lead Councillor(s):</b>	Councillor Richard Rout
<b>Director:</b>	Stephen Meah-Sims, Deputy Chief Executive and Executive Director of Corporate Services
<b>Assistant Director or Head of Service:</b>	Louise Aynsley, Head of Finance (S151 Officer)
<b>Author:</b>	Stuart Potter, Pensions Operations Manager Telephone:01473 260295 Email: <a href="mailto:Stuart.potter@suffolk.gov.uk">Stuart.potter@suffolk.gov.uk</a>

### 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 as requested by the Board.

### Action recommended

- |   |
|---|
| 2. To consider the information provided and determine any further action. |
|---|

### 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

#### Introduction

5. This report covers staff performance and team achievements since the previous Board meeting on 10 March 2023.

#### Service Level Agreements

6. The Service Level Agreements for our 'key' processes from February 2023 to May 2023 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 **163** percentage completed in SLA **98%**

- b) Estimates are issued to members or employers within 10 working days of receipt of all information – Total cases **110**, percentage completed in SLA **100%**
- c) Retiring employees are notified of their options within 5 working days of receipt of all information – Total cases **555**, percentage completed in SLA **99%**
- d) Retirement lump sums will be paid within 10 working days of receipt of all necessary information after retirement – Total cases **396**, percentage completed in SLA **100%**
- e) Notification of survivor benefits will be issued within 10 working days of receipt of all information – Total cases **57**, 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 **115** percentage completed in SLA **99%**

### **I-Connect Implementation**

7. The team are still working with the County Council's payroll development team to develop a working I-Connect extract. It is hoped that the outstanding issues will be resolved very shortly. The team are also continuing the rollout of this system to other employers who have developed I-Connect reports or are in the process of developing the report. When all these employers are completed, 91% of active members will be covered by this method.

### **Backlog Tasks**

8. The team have continued to work on the backlog cases previously reported to the Board. There are currently around 9,400 of these to process with the number reducing by around 300 since the previous reporting period.

### **End of year processing**

9. The end of year administration process is underway, which involves receiving membership data from the employers and updating all member records. This work will be completed in time for the annual benefit statements to be issued by the statutory 31 August deadline. There are 81 outstanding employer returns, and these are being worked on as a priority with the relevant employers. 71 of these outstanding returns are linked to two payroll providers who are still adapting their reports to provide accurate information following payroll system changes.

### **Active Member Newsletter**

10. The July edition of the Active Member newsletter, produced twice a year, has been drafted and will be communicated to members via employers in the Fund this month. All members registered on Member Self Service will be sent a personal copy. The latest edition answered some more frequently asked questions which includes a reminder that there is an offer of a 50/50 option, a timely reminder that there are other options which may be more affordable for some members with the current cost of living crisis. The newsletter includes an article from Pauline Bacon in her role as Union Representative.

## **Pensioner Newsletter**

11. The April edition of the Pensioner newsletter, also produced twice a year, was produced and communicated to Pensioner members in April. This edition included an article on the Pensions increase that had been applied to Pensioners benefits, information on the payment dates for the new financial year and a final article from Eric Prince in his role as Pensioner representative.

## **Pensions Increase Process**

12. The Pensions Increase process for April 2023 was completed successfully with all entitled Pensioner members receiving a 10.1% increase to their pension payments.

## **McCloud legislation update**

13. The changes to the LGPS linked to the McCloud legislation have been developing. In May there was a consultation issued which proposed how various aspects of the remedy may look and asked for feedback. Alongside this, draft regulations were issued. Expectation is that the final regulations will come into force from 1 October 2023 which will enable the team to commence the remedial work on affected cases. The Pensions team is currently in the process of recruiting the previously mentioned fixed term staff to help support the team during this time.

## **Compliments and Complaints**

14. During this period there have been three compliments above and beyond the usual thank yous received for the service we provide. These compliments are all reflective of the service members have received.
15. The first compliment was from a member thanking a member of the team for their help and 'for their patience and clear messages' which enabled them to understand how their pension records interrelate.
16. The second compliment was from a member who while finding the process to set up their Additional Voluntary Contributions (AVC) frustrating wanted to thank the people she had spoken within the pensions team who had all been 'very patient and helpful'.
17. The final compliment was from a member who thanked a team member for their help but wanted to add 'the advice and help I've had from your team has been exemplary. Thank you so much'.
18. During this period there has been two complaints, the first related to a member who was unhappy they could not have a refund of contributions because they had started a new position with the same employer. This has been explained to the member and followed up with a written response.
19. The second complaint was received from a multi academy trust, stating that the information they had received in regard to ill health liability insurance was contradictory and unclear. A follow up response has recently been sent.
20. There have been no new (Internal Dispute Resolution Procedure) IDRPs complaints since the previous meeting.
21. The Stage 2 IDRPs complaint however was fully investigated, and a decision given following receipt of the required information. The decision recommended that the employer should revisit this case and refer the former employee to their Occupational Health provider.

22. This report will be ongoing in all future Board meetings and will be developed in accordance with the requirements of the Board.

### Contribution payments

23. The administration strategy requires contributions from employers to be received by the Pension Fund within five working days of the month end in which the contributions were deducted. The table below summarises the timeliness of receipts received during 2022/23 quarter 3 and 4:

	Quarter 3 (22/23)			Quarter 4 (22/23)		
	Employer	Contributions		Employer	Contributions	
	%	£'m		%	£'m	
On Time	90	36.475	98.6	90	31.988	98.0
Up to 1 week late	4	0.149	0.4	4	0.136	0.3
Over 1 week late	6	0.386	1.0	6	0.543	1.7
<b>Total</b>		<b>37.010</b>			<b>32.667</b>	

#### Sources of further information

No other documents have been relied on to a material extent in preparing this report.

SUMMARY UPDATE (Part I)  
ACCESS Joint Committee (JC):  
5 June 2023



**Nine of the eleven ACCESS Authorities were represented**, and the key matters considered are described below.

Representatives from the Local Pension Boards (LPB) of West Northamptonshire, West Sussex and Cambridgeshire were also in attendance as observers.

Part I Item	Details
Election of Chair	<p>Cllr Simkins proposed the re-election of Cllr Kemp-Gee as Chair. Cllr Hunt seconded this proposal. No further nominations were received.</p> <p>Resolved: Cllr Kemp-Gee be re-elected as Chair of ACCESS Joint Committee.</p>
Election of Vice-Chair	<p>Cllr Kemp-Gee proposed the re-election of Cllr Barker as Vice-Chair. Cllr Churchman seconded this proposal. No further nominations were received.</p> <p>Resolved: Cllr Barker be re-elected as Vice Chair of ACCESS Joint Committee.</p>
Chairman's remarks	<p>Cllr Kemp-Gee welcomed members to the meeting. Cllr Kemp-Gee welcomed the Local Pension Board observers from West Northamptonshire, West Sussex and Cambridgeshire.</p> <p>Alistair Coyle (ASU) was welcomed to his first ACCESS Joint Committee in his new role as Client Manager.</p> <p>The Chair thanked the Joint Committee for his re-election and the ASU for their support throughout his time as Chair. He reflected on RI; communication; and governance &amp; political cooperation as the three themes of his first term. He committed to continue to lead ACCESS in bearing down on investment management costs and noted that cross fertilisation of funds would accelerate progress.</p>
Minutes of meeting 5 December	<p>Minutes of the Joint Committee meeting of 5 March 2023 were agreed.</p>
Business Plan, Budget & Risk	<p>The report presented covered 2023/24 (current year) activities, not detailed elsewhere in the agenda. These included an update on our expectation for a consultation likely to be written by Department for Levelling Up Housing &amp; Communities (DLUHC) prior to the Parliamentary recess.</p> <p>The Third Party Review, outcome of which was reported to the March 2023 Joint Committee, is currently in its research phase and the intention is for the final report to be brought to 4 September JC.</p>

	<p>The Phase II procurement of RI support to the Pool is also underway with the outcome to be brought to 4 September JC.</p> <p>Due to multiple procurements being carried out currently, the JC were asked to further extend the current arrangements with MHP Mischief as our Communications partner to December 2023 to allow for a full procurement and outcome to also be brought to the December 2023 JC.</p> <p>The ACCESS Support Unit (ASU) staffing noted a recent recruitment process of which Alistair Coyle was successful and has undertaken his role as Client Manager of the ASU. Paul Tysoe retired from his role of Client Manager at the end of April 2023, but in view of current workloads and following discussion with s151 officers, arrangements have been made for Mr Tysoe to continue on a part-time temporary basis.</p> <p>The 2022/23 budget produced an overall underspend of £17,350 per Authority. An overspend of £4,357 was incurred in relation to Technical Lead Support. A modest overspend of £1,028 was noted due to the rescheduling of the September Committee due to the death of HM Queen Elizabeth II. Procurement expenses were £18,000 lower than anticipated, primarily due to procurements completion dates moving from 2022/23 to 2023/24.</p> <p>A summary of the Risk Management Dashboard was shared with the Committee.</p> <p>The Committee was asked to note the:</p> <ul style="list-style-type: none"> <li>• 2022/23 budget outturn;</li> <li>• 2023/24 Business Plan update; and</li> <li>• current risk assessment.</li> </ul> <p>The Committee was asked to agree to:</p> <ul style="list-style-type: none"> <li>• Extend the existing arrangements with MHP Mischief as Communication Partner until 31 December 2023.</li> </ul>
<b>Part II Item</b>	<b>Details</b>
Business Plan, Budget & Risk	The JC noted the Annex B to the report in relation to External Professional costs.
Exempt minutes of meeting 5 December 2022	The exempt minutes of the of the Joint Committee meeting of 6 March 2023 were agreed.
Business As Usual evaluation	<p>The JC received an update report.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• Agreed the recommendations in the report.</li> </ul>
Link presentation	<p>The JC received a presentation from Karl Midl, Richard Thornton and Colin Jones from Link Fund Solutions.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• noted the presentation.</li> </ul>

Alternative Investments	<p>The JC received an update report.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>- agreed the recommendations in the report.</li> </ul>
Performance Report	<p>The Committee were updated on the progress of pooling assets, the performance of sub-funds against benchmark, the income generated by stock lending and voting by Investment Managers.</p> <p>The Committee noted the Investment Performance report as at 31 March 2023. The combined total of pool assets (within the Link ACS) and pool aligned assets (passive UBS mandates) was £34.417bn, an increase of £1.675bn from the December 2022 quarter end. Market movements accounted for £652m of the change, with purchases totalling £584m and sales £101m.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• noted the report.</li> </ul>
Sub-fund implementation	<p>A report updating the JC on progress with the establishment of new sub-funds and changes to existing sub-funds was introduced, and the future pipeline was noted.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• noted the report.</li> </ul>
Contract and Supplier Relationship Management	<p>The Members received the regular report covering a number of aspects of Contract and Supplier Relationship management.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• noted the report.</li> </ul>
Risk Register	<p>The Members received the regular report covering risks.</p> <p><b>The Committee:</b></p> <ul style="list-style-type: none"> <li>• noted the report.</li> </ul>
Next meeting date	4 September 2023
Local Pension Board observers	After the meeting formally closed, the Chairman invited each of the LPB observers present to comment.

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## Suffolk Pension Board, 25 July 2023

### 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 Committee as well as information that a service considers should be made known to the Committee.

This Information Bulletin covers the following items:

1. [Task Force on Climate-related Financial Disclosures](#)
2. [Columbia Threadneedle Emerging Market Sub-fund](#)
3. [Pension Board Appointments](#)
4. [Consultation](#)
5. [New Employers](#)

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#### 1. Task Force on Climate-related Financial Disclosures (TCFD)

- 1.1 The Department for Levelling Up, Housing and Communities (DLUHC) has announced that the implementation of climate reporting obligations will be delayed until at least next year.
- 1.2 A consultation was held last year, which closed in November 2022, with the intention of having appropriate regulation in place by 1 April 2023 for reporting by 1 December 2024, which would have covered the 2023/24 financial year.
- 1.3 The Responsible Investment Advisory Group (RIAG) will be looking at what advice could be given to funds wishing to do a shadow reporting year, and also what could be done to standardise the development of climate reporting approaches at the pool level.

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#### 2. Columbia Threadneedle Emerging Market Sub-fund

- 2.1 The Pension Fund Committee made a decision to transfer its Emerging market index tracking investment held with UBS, into an actively managed ACCESS Emerging Market sub-fund, invested by Columbia Threadneedle.
  - 2.2 The sub-fund is currently on course to open for investments on 26 July 2023. Appropriate paperwork is in the process of being completed and submitted for both the divestment from UBS and investment into the sub-fund.
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### **3. Pension Board Appointments**

- 3.1 A recruitment drive was undertaken to replace the two Board vacancies which occurred when two board members had reached the end of their allowed tenure. The vacancies were given prominent promotion in newsletters and on the website, attracting a positive level of interest with 10 applicants across the two posts.
  - 3.2 Nigel Inniss, Head of Governance, carried out interviews with all the applicants and successfully appointed to the vacant posts.
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### **4. Consultation**

- 4.1 Following the Chancellor's annual Mansion House speech on 10 July 2023, DLUHC published the LGPS Next Step on Investments consultation which runs for 12 weeks, closing on 2 October 2023.
  - 4.2 The consultation seeks views on asset pooling, levelling up, private equity allocation, investment consultancy services and investment definitions.
  - 4.3 The Committee will be discussing their response at their meeting on 19 September 2023.
  - 4.4 The consultation can be found on GOV.UK:  
<https://www.gov.uk/government/consultations/local-government-pension-scheme-england-and-wales-next-steps-on-investments/local-government-pension-scheme-england-and-wales-next-steps-on-investments>
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### **5. New Employers**

- 5.1 There was one new employer during the March quarter. Ecoserv – Westgate, who are an admitted body. This is a closed fund agreement.
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For further information on any of these information items please contact:

Paul Finbow, Head of Pensions

Email: [paul.finbow@suffolk.gov.uk](mailto:paul.finbow@suffolk.gov.uk) Telephone: 01473 265288.

## Suffolk Pension Board

<b>Report Title:</b>	Board Training Plan
<b>Meeting Date:</b>	25 July 2023
<b>Lead Councillor(s):</b>	Councillor Richard Rout
<b>Director:</b>	Stephen Meah-Sims, Deputy Chief Executive and Executive Director of Corporate Services
<b>Assistant Director or Head of Service:</b>	Louise Aynsley, Chief Financial Officer (S151 Officer)
<b>Author:</b>	Paul Finbow, Head of Pensions Telephone: 01473 265288, Email: <a href="mailto:paul.finbow@suffolk.gov.uk">paul.finbow@suffolk.gov.uk</a>

### 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"> <li>2. The Board is asked to consider and agree the content of the training programme for the coming year.</li> </ol> |
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### 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 July 2022, the Board considered its need for training and agreed a one-year training programme. This training was developed with the Knowledge and Skills Framework issued by CIPFA for local Pension Board members.
6. The Board also agreed to sign up the Hymans Robertson online training module aimed at both Committee and Board members that covers all the required knowledge and understanding. Both Committee and Board members are progressing through the training modules and will continue to do so across the current year.
7. Three pre-Board training sessions have been held in the last year covering Other Boards Agendas and priorities (Paul Finbow), the Pensions Regulator (Sharon Tan), and the Employer Onboarding (Paul Finbow).

8. A reminder of the Framework and in particular the specific areas of knowledge the Board should attain is provided in **Appendix 1**.
9. It has been agreed that should Board members wish to attend 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. The Pension Fund Committee training programme is attached at **Appendix 2**. The Committee are reviewing the timing of the training and Board members will be informed should they wish to attend.
10. The Board will have its own pre-Board training session and will be delivered before the start of the meetings.
11. A further half or whole day training session will be scheduled during 2023 or 2024 should the Board identify further topics that could be covered in more depth.
12. The Board is asked to consider and agree the content of the training programme for the coming year.

**Sources of further information**

No other documents have been relied on to a material extent in preparing this report.

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

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<b>Pensions legislation</b>	<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>
<b>Pensions governance</b>	<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>

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## Agenda Item 10, Appendix 1

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<b>Pensions administration</b>	<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"><li>■ member data maintenance and record-keeping processes</li><li>■ internal dispute resolution</li><li>■ contributions collection</li><li>■ scheme communications and materials.</li></ul> <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>
<b>Pensions accounting and auditing standards</b>	<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>
<b>Pensions services procurement and relationship management</b>	<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>
<b>Investment performance and risk management</b>	<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>

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## Agenda Item 10, Appendix 1

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<b>Financial markets and products knowledge</b>	<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>
<b>Actuarial methods, standards and practices</b>	<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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## Committee Training Plan 2023/24

### 1. Introduction

1.1 This is the proposed Training Plan setting out the 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 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 20 July 2022, the Pension Fund Committee agreed its training programme taking it to July 2023.

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 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.
- 3.3 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.
- 3.4 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**.
- 3.5 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 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:

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

### 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 Chief Financial Officer 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 Chief Financial Officer 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. With the current circumstances around the coronavirus pandemic, events may be held online or rearranged to alternative dates. Any changes to these will be notified to the Committee.

Indicative Training Programme 2023-24

Appendix A

Ref	What	Who	When	Overview	Intended audience
1	Conference	LGC Investment Summit Leeds	7 – 8 September 2023	Aimed at officers and PFC members focussing on investment matters	Officer and PFC members
2	Pre-Committee training	Investment / ESG Advisor	19 September 2023	Topic – Making a Net Zero Commitment	All PFC members
3	Annual Training Day	Hymans Robertson / Various Speakers	27 October 2023	Investment topics linked to Impact Investing	All PFC members
4	Conference	CIPFA Pensions Network Annual Conference – London	November 2023	Aimed at officers and PFC members – various speakers focussing on a wide range of pension topics	Officer and PFC members
5	Pre-Committee training	CEM Benchmarking	28 November 2023	Topic – What does the benchmarking data show about Suffolk	All PFC members
6	Pre-Committee training	Investment Manager	29 February 2024	Topic – Emerging Markets Equity Investing	All PFC members
7	Pre-Committee training	ACCESS Pool ESG Advisor	28 March 2024	Topic – Responsible Investment – Trends in ESG activity	All PFC members
8	Pre-Committee training	Hymans Robertson	3 June 2024	Topic – Good Governance	All PFC members
9	Conference	PLSA Local Authority Pension Fund Conference - Cotswolds	June 2024	Aimed at officers and PFC members focussing on wide range of Pension Fund matters	Officer and PFC members
10	Pre-Committee training	Investment Manager	15 July 2024	Topic – Developed Equity Markets	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.

## **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 Suffolk 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

<b>Meeting date (see Note)</b>	<b>Date added</b>	<b>Subject</b>	<b>Short description</b>	<b>How is it anticipated the Board will deal with this issue?</b>
<b>Tuesday, 3 October 2022</b>	Added 7 December 2022	Complaints, Compliments and Administration Performance	To receive a report on the complaints and compliments received by the Fund.	Written Report
	Added 7 December 2022	Suffolk's progress on Pooling of Assets	To receive an update on the progress of pooling assets.	Written Report
	<b>Added 25 July 2023</b>	<b>Government Consultations</b>	<b>To receive an update on Government LGPS consultations</b>	<b>Written Report</b>
	Added 7 December 2022	Pension Board Risk Register	To review the Pension Board Risk Register.	Written Report
	Added 7 December 2022	Recent Developments	To receive an information bulletin covering recent developments that the Board has an interest in.	Written Report
	Added 7 December 2022	Forward Work Programme	To approve the Forward Work Programme for the Suffolk Pension Board.	Written Report
<b>Wednesday, 6 December 2023</b>	<b>Added 25 July 2023</b>	<b>Complaints, Compliments and Administration Performance</b>	<b>To receive a report on the complaints and compliments received by the Fund.</b>	<b>Written Report</b>
	<b>Added 25 July 2023</b>	<b>Suffolk's progress on Pooling of Assets</b>	<b>To receive an update on the progress of pooling assets.</b>	<b>Verbal Report</b>
	<b>Added 25 July 2023</b>	<b>Recent Developments</b>	<b>To receive an information bulletin covering recent developments that the Board has an interest in.</b>	<b>Written Report</b>

Meeting date (see Note)	Date added	Subject	Short description	How is it anticipated the Board will deal with this issue?
	<b>Added 25 July 2023</b>	<b>Forward Work Programme</b>	<b>To approve the Forward Work Programme for the Suffolk Pension Board.</b>	<b>Written Report</b>

**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](mailto:paul.finbow@suffolk.gov.uk), Telephone: 01473 265288.

Revised: July 2023

**Items for consideration/scheduling:**

Pensions Regulators new Single Code