

Suffolk Pension Fund Annual Report and Accounts 2024-25



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Report from the Chief Financial Officer

The Suffolk Pension Fund Annual Report and Accounts sets out the Pension Fund's income and expenditure and its assets and liabilities for the financial year ended 31 March 2025, the governance arrangements for administering the scheme and the work carried out by the Pension Fund Committee, Pension Fund Board and the Pension Fund officers throughout the year.



There are also a number of policy statements and these disclosures are published as separate documents on the website of the Fund (www.suffolkpensionfund.org).

Business Plan

The Committee approves a business plan at the start of each financial year. This provides a mechanism for the Committee to ensure that its responsibilities for the Fund are carried out effectively. The key actions for 2024-2025 are as below:

Actuarial Valuation

The Fund monitors the actuarial position of the Fund on a quarterly basis. Work has commenced on the 2025 valuation exercise, with the Pension Fund committee approving the process, timelines and valuation assumptions.

This position is a snapshot in time using a single set of assumptions to ascertain the solvency of the Fund and its likelihood to be able to meet the benefits promised to its members.

Given the sensitivity of a single set of assumptions to changes in market conditions on a day-to-day basis, a different approach is taken when setting employer contribution rates. Instead, projections are carried out over many different market scenarios to be able to determine a contribution strategy which meets the cost of benefits over enough of these scenarios.

Within these scenarios, there will be instances where market conditions improve over the time horizon being considered and instances where they worsen. These are allowed for to consider both the upside and downside of funding risks.

Committee also considered the implications of being in surplus and the options that may be available when setting employer contribution rates as part of this triennial valuation exercise.

Draft contributions rates will be sent round to Employers for consultation, alongside the Funding Strategy Statement in October 2025.

Asset Allocation

The Committee carried out the annual review of its strategic asset allocation and diversified its equity investments by reducing its allocation to UK equity with Blackrock and its global equity allocation with Newton. New allocations were made to two new active managers: the Longview Global Equity fund and Baillie Gifford Long Term Global Growth fund.

The Committee also reallocated 0.5% from the UBS Low Carbon fund to the Columbia Threadneedle emerging markets equity mandate and replaced a 4% allocation to UBS index linked gilts with liquid investment grade credit with Fidelity.

The Committee has continued to monitor the progress of the ACCESS pool and has made new investments in the pool's alternative asset offerings. This included a 12% allocation to CBRE as the pool's appointed property manager for Global and UK Core property investments. The Committee also made a 2% allocation to Timber.

Environment, Social & Governance

Within the equities, there is an allocation to a Climate Aware Fund and a Low Carbon Transition Fund to reduce the carbon intensity of the portfolio via a decarbonisation approach which allocates investment to companies that are lower carbon emitting to help mitigate the risks of climate change.

The Committee agreed the strategy and a high-level action plan, including timelines and interim targets, to deliver the commitment to achieving Net Zero by 2050 or earlier.

The Pension Fund is committed to integrating not just environmental factors, but also other social and governance factors to demonstrate a sustainable, responsible and ethical approach to investment.

The Pension Fund Committee receives a quarterly Environment, Social & Governance (ESG) report which outlines the investment managers approach to integrating and aligning ESG into their investment decisions, research and monitoring.

LGPS: Fit for the Future

The Committee responded to the Government's LGPS: Fit for the Future consultation and supported the ACCESS business case submission in relation to the Pensions Investment Review.

On 9 April 2025, the Suffolk Pension Fund was informed by letter from Torsten Bell MP (Minister for Pensions) and Jim McMahon MP (Minister for Local Government) that the ACCESS Asset Pool's proposal in response to the Government's Fit for the Future consultation was not approved and consequently it has been prescribed, that the Suffolk Pension Fund has to join another asset pool.

The Suffolk Pension Fund will be required, by 30 September 2025, to submit an in-principle decision on the LGPS Asset Pool that the Fund will transition to in the future.

The Pension Fund Officers alongside ACCESS and professional advisers have been assessing the remaining LGPS Asset Pools and carrying out due diligence to identify the Pool that will most suit the Suffolk Pension Fund.

The Pension Fund Committee have been appraised on the ongoing work and will be in a position to make an in-principle decision on which asset pool the Fund will move to at its meeting on 17 September 2025.

Audit

The Pension Fund accounts are included within the County Council's Statement of Accounts for 2024-25, which is subject to audit by Ernst and Young LLP. As part of the audit review, the external auditor will provide an opinion to confirm whether the information provided within the Pension Fund Annual Report and Accounts is consistent with the information contained within the County Council's Statement of Accounts.

Louise Aynsley

Chief Financial Officer (S151)

September 2025

Scheme Management and Advisers

Pension Fund Committee

Cllr Karen Soons (Chairman)	Cllr Simon Harley
Cllr Edward Back (Vice-Chairman)	Cllr Colin Kreidewolf
Cllr Henry Lloyd (From Nov 24)	Cllr Simon Dowling
Cllr David Goldsmith	Cllr Heike Sowa
Cllr Robert Lindsay	Steve Warner (Unison)
Cllr Georgia Hall (Up to Sept 24)	

Pension Board

Cllr Richard Smith (Chairman)	Ian Blofield
Pauline Bacon (Vice-Chairman)	Thomas Jarrett
Kay Davidson	Richard Blackwell

Suffolk County Council

Louise Aynsley	Chief Financial Officer (S151)
Paul Finbow	Head of Pensions (left June 24)
Tracey Woods	Head of Pensions (from 1 Apr 24)
Sharon Tan	Lead Accountant (Pensions)
Andy Chapman-Ennos	Technical Pensions Specialist
Stuart Potter	Operations Manager (Administration)

Pension Fund Advisers

Auditors	Ernst & Young LLP
Actuary	Hymans Robertson LLP
Investment Consultancy Service	Hymans Robertson LLP
Independent Investment Adviser	Mr Mark Stevens
Performance Measurement	Northern Trust PIRC
Investment Custodian	Northern Trust
Banking Services	Lloyds Banking Group Plc
Legal Advisers	Squire Patton Boggs
Pool Operator	Waystone

Investment Managers

Pooled and Pooled Aligned

UBS Group



www.ubs.com/uk/en

JP Morgan



www.jpmorgan.com/global

Columbia Threadneedle



www.columbiathreadneedle.com

Janus Henderson Investors



www.janushenderson.com

Newton Investment Management



www.newtonim.com

Blackrock Investment Management



www.blackrock.com

Baillie Gifford

Baillie Gifford™

www.bailliegifford.com

Longview

LONGVIEW
PARTNERS

www.longview-partners.com

Fidelity



www.fidelity.com

CBRE



www.cbreim.com

Non-Pooled

Brookfield Asset Management



www.brookfield.com

Kohlberg Kravis Roberts



www.kkr.com

M&G Investments



www.mandg.com

Partners Group



www.partnersgroup.com/en

Pantheon Ventures



www.pantheon.com

Wilshire



www.wilshire.com

Scheme Overview

Introduction to the Fund

The Local Government Pension Scheme (LGPS) provides pension benefits for certain employees within local government. It is governed by statute and the statutory responsibility for regulating the scheme lies with the Minister of Housing, Communities and Local Government (MHCLG).

The LGPS is administered locally by 86 Pension Funds in England and Wales and collectively is one of the largest pension schemes in the UK.

It is a defined benefit pension scheme, meaning benefits are paid out based on the members salary and for how long they have paid into the scheme.

Scheme Eligibility

The scheme is open to all County Council employees (except teachers, fire fighters and former NHS staff who have their own national schemes), employees of the Suffolk District and Borough Councils and employees of certain other public bodies (known as scheduled bodies) within Suffolk.

Parish and Town Councils may decide by designation to allow their employees to join the scheme and regulations also permit the Pension Fund Committee to admit certain other bodies which provide public services.

All eligible employees automatically become members of the scheme unless they chose to opt out.

How the Fund Works

The LGPS is a funded pension scheme, contributions from employees and employers are held in the Fund and invested, until the benefits fall due for payment. This enables the fund to generate capital growth and income from investments.

The Employer's contribution rates are set as part of the actuarial valuation exercise which is carried out every three years by the Suffolk Pension Fund's actuary, Hymans Robertson LLP.

The last valuation exercise was carried out in 2022-23, and following consultation with the Employers', the next three years contribution rates took effect from 1 April 2023.

Costs of Employee Membership

Employee contributions are set nationally, in bands on members' pensionable pay. The pay banding table which was used during 2024-25 is shown below:

Actual Pensionable	Contribution Rate
£0 - £17,600	5.50%
£17,601 - £27,600	5.80%
£27,601 - £44,900	6.50%
£44,901 - £56,800	6.80%
£56,801 - £79,700	8.50%
£79,701 - £112,900	9.90%
£112,901 - £133,100	10.50%
£133,101 - £199,700	11.40%
£199,701 or more	12.50%

The contribution rates are reviewed periodically to maintain the average contribution from employees at 6.6% and to ensure the long-term costs of the scheme are affordable.

Members have the option to join on a 50/50 basis which entitles members to pay half the contribution rate in exchange for half the pension benefit. These members retain full benefits in the event of ill health or death in service.

Benefits of the Pension Fund

The majority of the benefits payable are set by regulation and are increased in April each year based on the CPI rate as at 30 September in the previous year.

The core scheme benefits are:

- Life assurance of three times the member's yearly pay from the day they join the scheme.
- Inflation linked pension for the rest of the member's life.
- The ability to take a tax-free lump sum by commutation of pension. For service in the scheme prior to 1 April 2008 there is an automatic tax-free lump sum of three times the annual Pension to 31 March 2008.
- Dependent pensions for spouses, civil registered partners and qualifying co-habiting partners and eligible children should the member die.
- An entitlement paid early if a member has to stop work due to permanent ill health.
- Flexible retirement and an option to take the Pension from between the ages of 55 and 75.
- Early payment of members benefits without reduction from aged 55, should they be made redundant.



Orwell Bridge from Nacton Shores, Nacton

Governance Report

Pension Fund Committee Chairman's Report

I am pleased to be introducing the latest Suffolk Pension Fund Annual Report and Accounts.

The Fund returned 5.3% for the year, with the three-year return of 5.8% p.a and five year return of 9.5% per annum.

Compared with other local authority funds, although the Fund has a lower weighting to equities and higher weighting to Bonds it still resulted in a higher return than the average return of 3.5% calculated by PIRC.



There are significant levels of diversification between different asset classes to reduce overall portfolio risk through combining the performance of each asset class. This helps reduce the volatility effects of the financial markets, whilst maintaining the Fund's relatively low risk approach.

The Pension Fund Committee is aware of the need to generate a sufficient level of return whilst managing potential investment risks and therefore has developed a clear set of fundamental investment beliefs covering both investment and environmental, social and governance (ESG) considerations which provides a clear framework for all investment decisions.

The Committee's main objective is to deliver an investment return consistent with funding plans that does not compromise future generation's ability to meet their own needs. In addition, the Committee identifies climate change, pollution and company stewardship as the priorities for responsible investments and ESG.

The Pension Fund Committee has agreed to set a net zero target for 2050 or earlier. An action plan has been developed which includes timelines, interim targets and how this target can be achieved. This also includes monitoring and reporting to enable the Fund to report progress.

At its meeting in September 2025 the Committee will be receiving the carbon intensity metrics of the Fund as at September 2024. The Fund started making investment decisions considering climate risk in 2019 so progress from then will be shown.

The Fund met with investment managers on a rotational basis, quarterly, with the independent investment advisor, to understand the managers views on the current market conditions, the way they are investing the Funds money and implementing responsible investment in their decision making.

Value For Money

The Committee approves the budget for the administration function. The administrative function is a multifaceted service, having to manage increasing numbers of employers, members and new regulatory requirements. The Pension Fund continues to invest in the appropriate technological platforms to assist in effectively managing administration to a high standard and to have appropriately skilled staff to implement streamlined processes and meet new statutory requirements.

The Committee believes it is important that the costs and charges incurred in managing and administering the Fund provide good value in relation to the benefits and services provided to members. The administration, governance and investment management costs are benchmarked and the Suffolk Pension Fund in general, has lower average costs within the LGPS as a whole and within a peer group of similar asset sized funds.

Councillor Karen Soons

*Chairman of the Pension Fund Committee
September 2025*

Pension Fund Committee

The Pension Fund Committee's key responsibilities are:

- a) The effective and prudent management of the Suffolk Pension Fund.
- b) The approval of the Fund's investment strategy
- c) The approval of the funding strategy following the triennial actuarial valuation, and the determination of the employers' contributions to the Fund.

Membership of the Committee

The Pension Fund Committee consisted of seven county councillors, who were appointed by the County Council, reflecting the political balance on the County Council as a result of County Council elections. In addition, the Committee included two district council representatives, who were nominated by the Suffolk District Council leaders, and a scheme member representative, who was nominated by UNISON.



Cllr Karen Soons
Chairman



Cllr Edward Back
Vice Chairman



Cllr David Goldsmith



Cllr Simon Dowling



Cllr Henry Lloyd



Cllr Robert Lindsay



Cllr Simon Harley



Cllr Colin Kreidewolf



... Cllr Heike Sowa



Steve Warner
Union Representative

Committee Attendance

The attendance of the Pension Fund committee members for the Committee meetings held during 2024-25 are shown below.

Suffolk County Council Pension Fund committee members are encouraged to send a substitute for any committee meeting which they are unable to attend. The substitute is fully briefed by a Pension Fund officer to enable them to participate in the meeting.

Councillor	Meetings attended
Cllr Karen Soons	4/6
Cllr Georgia Hall	2/3*
Cllr Edward Back	5/6
Cllr David Goldsmith	6/6
Cllr Robert Lindsay	3/6
Cllr Simon Harley	4/6
Cllr Colin Kreidewolf	6/6
Cllr Simon Dowling	5/6
Cllr Henry Lloyd	3/3*
Cllr Heika Sowa	1/2*
Mr Steve Warner	5/6

*Cllr Georgia Hall stepped down in September 2024, replaced by Henry Lloyd in November 2024. Vacancy filled by Cllr Heika Sowa February 25

All members of the Pension Fund Committee have voting rights.

Committee members must declare any conflicts of interest at each committee meeting which are recorded in the minutes. In addition, all members must complete a register of interest declaration form which is available for public inspection. A review of the register is undertaken by internal audit as part of their governance auditing programme, and the results are reported to the Audit Committee.



Willy Lott's Cottage, Flatford

Committee Training

The Pension Fund Committee recognises the importance of ensuring that those who are responsible for financial management and decision making with regards to the pension scheme are equipped with the necessary knowledge and skills. The Chief Financial Officer is responsible for ensuring that appropriate training is undertaken by members and officers with responsibilities relating to the Pension Fund.

The Committee has adopted the CIPFA Pensions Knowledge and Skills Framework as the basis for assessing its training and development needs. All new committee members are given training on the operation of the Fund and their responsibilities.

In addition, the committee approves a formal training plan which is designed to cover the Committee's responsibilities. This is reviewed annually and updated to include new topics of interest and any additional training requirements identified.

Councillor	Training attended
Cllr Karen Soons	4/7
Cllr Georgia Hall	2/3
Cllr Edward Back	5/7
Cllr David Goldsmith	7/7
Cllr Robert Lindsay	4/7
Cllr Simon Harley	6/7
Cllr Colin Kreidewolf	7/7
Cllr Simon Dowling	6/7
Cllr Henry Lloyd	4/4
Heike Sowa	1/2
Mr Steve Warner	6/7

Training sessions are designed to cover the major areas of the Committee's activities throughout the year. In addition to these a training day is also offered to cover any specific training needs which are identified.

As part of the training plan the Committee has received presentations during the year from the fund's investment managers and advisers. This year topics have been:

- **Data Analytics for Longevity statistics** - delivered by Club Vita
- **Refresher on the Suffolk Pension Fund Annual Report and Accounts** - delivered by Sharon Tan
- **Timberlands as an Asset Class** delivered by Matt Woodman (Hymans Robertson)
- **Pensions Dashboard** delivered by Tracey Woods
- **Impact of the Government Pension Review on the role of Pension Fund Committees** delivered by Tracey Woods
- **Private Equity and Private Lending** delivered by Matt Woodman (Hymans Robertson)
- **Annual Training Day** with presentations by new investment managers and a focus on the next valuation delivered by Craig Alexander (Hymans Robertson).

The Suffolk Pension Fund Committee signed up to the Hymans Robertson online training module aimed at both Committee and Board members. They are progressing through the training modules and will continue to do so across the current year.

This is supplemented by external training provided by local government organisations and investment seminars organised by investment managers and industry experts. Committee members and officers have access to the on-line training and reference material contained in the CIPFA Pensions Knowledge and Skills 'tool kit'.

Work of the Pension Fund Committee

The Pension Fund Committee has an annual business plan which sets out its priorities for service development.

The Committee monitors the investment performance of the Fund and all its managers on a quarterly basis, receiving a combined investment report with collaboration from Hymans Robertson LLP and Mark Stevens, the Fund's Investment advisers and officers of the Pension Fund. The report includes commentaries on the performance of the managers and the investment strategies employed, a review based on the quarterly investment manager's meetings and an overview of the economic outlook.

The Committee monitors the actuarial position of the Fund on a quarterly basis with the receipt of an estimated funding valuation report produced by Hymans Robertson LLP.

The Committee has been regularly kept informed of the development of the ACCESS pool and has approved transfers of assets into the pool.

The Committee updated and approved the following policy documents:

- Treasury Management Strategy
- Administration Strategy
- Governance Policy
- Governance Compliance Statement
- Investment Strategy Statement
- Risk Management Strategy
- Risk Register
- Path to Net Zero Strategy

Additional areas considered by the Committee were:

- Review the business plan for 2024/25 and set the work for 2025/26
- Review the strategic asset allocation of investments.
- Regular report on the work of the administration team
- Continued development of reporting on ESG issues.
- Review and setting of the investment consultant performance objectives.
- Approval of Annual Report and Accounts
- Increase diversification of equities by reducing Blackrock and Newton and investing with Longview and Baillie Gifford.
- Replaced 5 year gilts with Fidelity sterling corporate bonds.
- New commitment to Timber with JP Morgan and Stafford.
- Reports on the work to meet the LGPS: Fit for the Future requirements.
-



Question Mark, Ipswich

Pension Board Chairman's Report

It is a pleasure to introduce the Suffolk Pension Board's annual report, which is incorporated within the Suffolk Pension Fund annual report and accounts for 2024-25.

The Board was established to ensure that the Suffolk Pension Fund is managed and administered effectively, efficiently, and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator. This means making sure the Fund is compliant with all relevant legislation with the aim of safeguarding the interests of all Pension Fund members and employers.

There are six members of the Suffolk Pension Board, with half of the Board members representing the employers in the Fund and the other half representing scheme members (active members, pensioners and deferred members).

The Board continues to engage with the employers of the Fund organising the annual Employers' meeting in December in conjunction with the Pension Fund Committee. This year the meeting covered an introduction to Legal & General and the new Additional voluntary contribution scheme. The actuary covered the funding position and the current conditions and developments which could affect the 2025 triennial valuation. There were also sessions on the data requirements for year end and how this data is used by the Pension Fund administration team.

The next annual employers' meeting will be held on 9 October 2025 which coincides with the start of the consultation with employers on their contribution rates for the next three years.



The Board continues to focus on monitoring and holding to account the administration function of the Fund. With growing membership and ever-increasing complexity, scheme administration relies very heavily on the diligence and experience of the Pension Fund officers as well as reliable and effective data systems to ensure that members receive clear information and accurate benefits.

It is imperative investment is made into data systems to keep continuously improving services to members and meet statutory requirement with an ever-increasing workload. During the year the Fund has upgraded the pension administration system, improving the following areas:

- A new member self-service system, known as Engage, which provides enhanced security measures and a wider range of tools to help members with retirement planning.
- The capability to connect to the Pension Dashboard that is being put in place by Government in 2026. This will enable members to see all their pensions in one place, including the state pension.
- New reporting tools to aid planning and monitoring of administration activities.

The Board continue to be satisfied that the Pension Fund is well managed and safeguarding the interests of members and employers.

Councillor Richard Smith (MVO)
Chairman of the Suffolk Pension Board
September 2025

Pension Board

The Pension Board's key responsibilities are:

- 1) Assist the Council as scheme manager.
 - 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 requirements imposed in relation to the LGPS by the Pensions Regulator.
 - c) In such other matters as the LGPS Regulations may specify.
- 2) Secure the effective and efficient governance and administration of the Suffolk Pension Fund.



Framlingham Castle, Framlingham

Membership of the Board

The Suffolk Pension Board consists of six members, three Pension Fund employer representatives (one each representing the County Council, other local government employers and other employers) and three Pension Fund member representatives (one each representing current active members, retired members and trade unions).

Cllr Richard Smith	Suffolk County Council
Kay Davidson	Active Scheme Member
Thomas Jarrett	Other Employers
Ian Blofield	Other Local Government
Richard Blackwell	Retired Members
Pauline Bacon	Union representative

Board Attendance

The attendance of the Pension Board members for the quarterly meetings held during 2024-25 are as follows:

Board member	Representing	Meetings attended
Cllr Richard Smith	Suffolk County Council	4/4
Kay Davidson	Active Scheme Members	4/4
Richard Blackwell	Retired members	4/4
Ian Blofield	Other Local Government	4/4
Thomas Jarrett	Other Employers	2/4
Pauline Bacon	Unions	3/4

Board Training

The Pension Board recognises the importance of complying with the Pensions Regulator's Code of Practice in regard to the demonstrable knowledge and understanding of the LGPS that is expected, whilst in addition, having due regards to the guidance issued by the Scheme Advisory Board.

The Board approves a training plan which is designed to cover the Board's responsibilities. This is reviewed annually and updated to include new topics of interest and any additional training requirements identified.

Members of the Board are also invited to attend the Pension Fund Committee training and the annual Committee training day.

Board member	Representing	Training attended
Cllr Richard Smith	Suffolk County Council	4/4
Kay Davidson	Active Scheme Members	4/4
Richard Blackwell	Retired members	4/4
Ian Blofield	Other Local Government	2/4
Thomas Jarrett	Other Employers	3/4
Pauline Bacon	Unions	3/4

As part of the training plan the Board has received training as follows:

- **Refresher on the Suffolk Pension Fund Annual Report and Accounts** delivered by Sharon Tan
- **Pensions Dashboard** delivered by Tracey Woods
- **Single Code of Practice** delivered by Sharon Tan

- **Impact of the Government Pension Review on the role of Pension Fund committee and Board** delivered by Tracey Woods

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 to undertake appropriate scrutiny and decisions.

Work of the Pension Board

The Pension Board agrees a forward work programme for the year ahead which includes regularly reviewing its risk register, quarterly updates on the performance of the administration team, and recent developments in the Fund.

The annual report on investment performance for 2023-24 presented to the Committee, was also separately presented to the Board.

The Board has been regularly kept informed of the development of the ACCESS pool and has been appraised of the transfers of assets into the pool by the Fund.

The board receives and reviews its risk register twice a year.

In addition to the regular reports the Board has received and reviewed:

- Pension Fund Annual Report and Accounts 2023-24
- Review of the process for the Actuarial Valuation.
- Administration and Management expenses
- Policies approved by the Committee.
- Review on the implementation of Legal and General as the new AVC provider for the Fund.
- Review of the new Heywood contract.
- Reports on the work carried out to meet the requirements of the LGPS: Fit for the Future consultation.

Risk Management

The long-term risk in relation to the Pension Fund is that its assets fall short of its liabilities and that there would be insufficient assets to pay the pensions to its members. Investment objectives have been set by the Pension Fund Committee with the aim of achieving long term investment returns within an agreed risk tolerance level to mitigate the risk.

Investment risk and performance is regularly monitored and reviewed by the Council's officers. The Pension Fund Committee reviews investment performance on a quarterly basis with the assistance of its investment advisers, Hymans Robertson LLP and Mark Stevens.

The Pension Fund Committee and Pension Board each maintains a risk register for the Pension Fund, which is available on the website (www.suffolkpensionfund.org). All Pension Fund risks are subject to regular monitoring in regards to the likelihood of occurrence and potential impact on the Fund.

Assurance over the systems operated by the Fund's investment managers and custodians is maintained by reviewing relevant documentation about their internal control environment such as ISAE340 reports, prepared in accordance with the guidance from the Audit and Assurance Faculty of the ICAEW.

Systems and internal control

The Council's statement of accounts, which includes the accounts of the Pension Fund, is subject to external audit by Ernst & Young LLP who produce an overall audit opinion on the Council's accounts. The auditors produce a separate opinion on the Pension Fund financial statements and an opinion that the Pension Fund annual report is consistent with the Pension Fund accounts.

The Pension Fund is also subject to an internal review by the Council's internal auditors on the robustness of the Pension Fund's systems, procedures and controls. The Head of Audit Services has provided the opinion that the internal control environment provides sufficient assurance that the Pension Fund financial and administrative systems have adequate controls and effective systems in operation.

The coverage of the Internal Audit reviews is based on The Pension Regulator's General Code of Practice and a good practice guide created as 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 (CAN). These codes and guides have been tailored by Internal Audit to better suit the evaluation of the operations of the Suffolk Pension Fund.

A risk assessment is also 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.

Historically, Internal Audit assurance reviews related to the Pension Fund have focused on two key areas: Pension Fund Investments and Pension Administration. In 2024/25, however, the scope of Internal Audit work regarding the Fund was redesigned to add more coverage and meaningful outputs.

Three assurance reviews have been conducted in 2024/25, covering the areas of Communications, Information Handling, and IT & Cyber Controls.

Pension Fund: Information Handling

This review evaluated the controls existing to effectively handle both physical and digital information throughout the fund. The overall opinion given was Reasonable Assurance. This means that whilst there is a generally sound system of governance, risk management and control in place.

The review of Information Handling in the Fund confirmed the existence of sound governance, risk management, and control arrangements.

Pension systems were found to be equipped with controls such as exception reports and task workflows to assist in the maintenance of data accuracy, and documented separation of duties was evident. The audit also found that the Pension Team demonstrated a strong understanding of the risks associated with information handling and that regular training is undertaken

A data quality review by Hyman's gave Suffolk Pension Fund's membership data a green rating, indicating its readiness for triennial valuation in 2025.

Pension Fund: Communications

This review sought to evaluate the processes and controls within Suffolk Pension Fund's activities to issue effective communications, protect members and stakeholders from false communications, and respond to stakeholder feedback. The overall opinion given was Reasonable Assurance.

This review considered the controls and mitigations in place to address several potential risks. Regular updates are provided to Pension Fund members, pensioners, and employers through newsletters, and information required by The Pensions Regulator and LGPS were found to have been published on the Fund's website.

Pension staff have completed training on scams from the Pension Regulator, and guidance on transfer scams is prominently displayed on the Suffolk Pension Fund website.

Pension Fund: IT & Cyber Controls

The purpose of this review was to evaluate the effectiveness of IT and cyber controls operating in the Suffolk pension function. The overall opinion given was Reasonable Assurance.

This review considered the controls and mitigations in place to address several potential risks.

The pension IT systems, managed by Heywood, were found to be fit for purpose and meet the legal requirements of the LGPS. The contract is managed through regular contract management meetings, adherence to SLAs, and updates to reflect legislative changes.

Physical controls, such as passwords and access rights, align with organisational guidance and business needs. Access rights were managed effectively, and compensating controls were identified that facilitate a separation of duties.

User Acceptance Testing (UAT) is effectively conducted for system changes and upgrades. Communication with staff regarding changes is effective. The audit found that there are sufficient resources with the necessary skills to carry out, test, and apply system changes.

Comprehensive backup and recovery processes are in place. Heywood's disaster recovery tests have been reported as successful, ensuring Altair services remain functional in the event of a data centre failure.

ACCESS Pool

The ACCESS pool has a clear governance structure in place with quarterly reporting to the Joint Committee, and a business plan and risk register which are regularly reviewed. The ASU (ACCESS Support Unit) provides day-to-day support for the Pool, including programme and contract management, and administration and technical services. The ASU is audited by Essex County Council.

Counteracting Fraud

The Suffolk Pension Fund participates in the National Fraud Initiative exercise which matches electronic data between public and private sector bodies to prevent and detect fraud.

Any returned post or bank payments results in payments being ceased and a tracing agency is utilised to track down the member to confirm existence or otherwise.

The Suffolk Pension Fund utilises the 'Tell us once' service that enables someone to report a death to most government organisations online in one go instead of having to write to the Pension Fund at a later date which results in a timelier notification.

The Pension Fund has controls in place to prevent internal fraud such as administrative staff being unable to access their own records, separation of duties and appropriate authorised signatories which are checked against payments. Internal controls are also subject to the audit scrutiny on an annual basis.

Pension Fund Risk Register

The Committee has adopted a formal framework for the identification and management of the risks that the Fund is exposed to. The risk management strategy identifies the principles for how the Fund will embed risk awareness and management into the decisions and processes of the Pension Fund to ensure that the Fund's objectives are met.

The risk management framework is used to identify and assess risks and the implementation of the management of those risks.

The risk register has been reviewed and updated in line with guidance and reflects best practice in the identification, evaluation and control of risks in order to ensure that key risks are recognised, and then either eliminated or reduced to a manageable level. If neither of these options is possible, then means to mitigate the implications of the risks is established.

Each of the risks within the key areas has been identified and assessed in terms of its impact on the Fund as a whole, on the Fund employers, and on the reputation of the Pension Fund Committee, Pension Board and Suffolk County Council as the administering authority, along with the probability of the risk occurring.

The risks are managed in accordance with the County Council's arrangements for managing risks, including appropriate monitoring and mitigation measures.

The Pension Fund risk register includes risk on pooling, including the risk that pooling of the Suffolk Pension Fund assets does not meet current and changing Government expectations. The Committee and Board are updated on pooling at every meeting and the officers actively participate within the ACCESS pool.

Note 19 in the Pension Fund statement of accounts includes a statement of the nature and extent of risks associated with the Fund's investments. The most significant risks associated with the Fund's investments are considered to be market risk (the risk that the value of the Fund's investments will fluctuate due to changes in market sentiment) and price risk (the risk that the funding level will fluctuate due to changes in market conditions and market performance). These risks are included in the Fund's risk register and subject to appropriate management and monitoring arrangements.

ACCESS Pool Risk Register

The ACCESS Pool has a detailed risk register that is reviewed at the officer working group and reported to the Joint Committee. The risk register covers the establishment of pool governance, sub-fund establishment and implementation, and the risks of delivering current and changing Government expectations.

Financial Performance

Summary of the Financial Position

The following table shows the Pension Fund's financial position for the past five years:

Financial Summary	2020-21	2021-22	2022-23	2023-24	2024-25
	£'000	£'000	£'000	£'000	£'000
Contributions	122,110	125,022	133,558	136,002	144,620
Other Income	4,119	10,625	10,571	10,827	11,933
	126,229	135,647	144,129	146,829	156,553
Benefits Payable	-101,372	-105,956	-111,336	-127,084	-142,319
Other Expenditure	-7,506	-7,661	-6,301	-9,706	-16,819
	-108,878	-113,617	-117,637	-136,790	-159,138
Net additions / withdrawals(-) from dealings with members	17,351	22,030	26,492	10,039	-2,585
Management Expenses	-11,518	-14,247	-17,561	-14,613	-15,618
Investment Income (net of tax)	36,301	35,392	57,656	111,130	123,849
Change in Market Value of Investments	547,829	314,837	-64,142	387,368	112,352
Net Returns on Investments	572,612	335,982	-24,047	498,498	220,583
Change in Fund during the year	589,962	358,012	-2,445	493,924	217,998
Net Assets at 31 March	3,398,416	3,756,428	3,758,873	4,252,797	4,470,795

Benefit Payments

Annual pension benefits are paid:

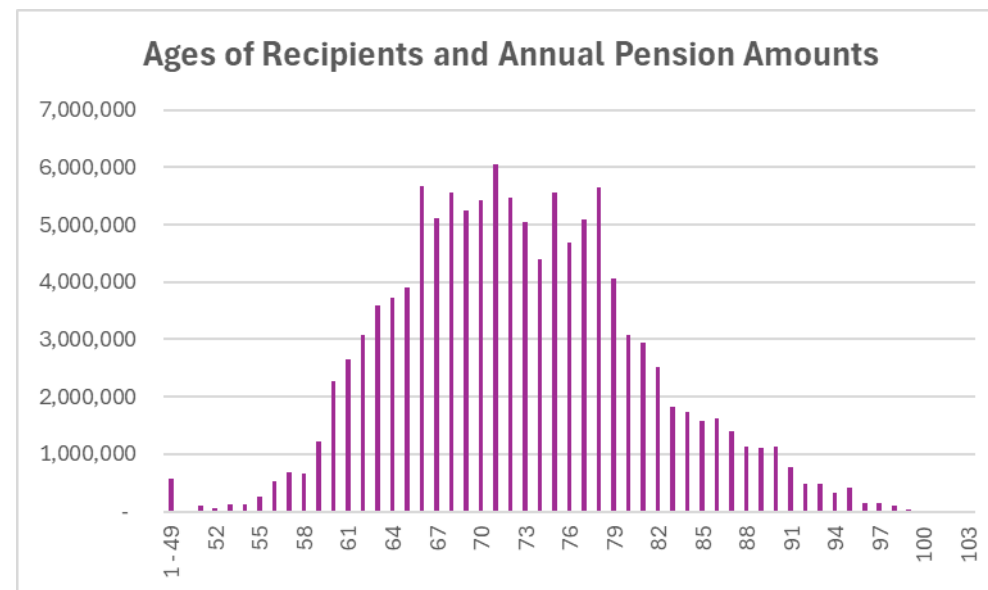
- To a retiree for the rest of their life
- To the partner of a retiree when they have died
- To the partner of a member who dies before claiming their retirement benefits

There are circumstances when pensions are paid to dependents of members who die before claiming their retirement benefits such as:

- To dependent children of retirees when they die, or members who die before claiming their retirement benefits, until they leave full time education.
- To dependent children of retirees when they die, or members who die before claiming their retirement benefits, for the rest of their life, if they have a disability that inhibits their ability to be in gainful employment.

Demographic assumptions about the proportion of members who are assumed to have an eligible partner or have a dependent at retirement or on earlier death are made as part of the valuation process.

The graph across, shows the total pension payments for each age. Pension payments tend to be concentrated within the 65 – 78 age brackets with pension payments peaking with recipients at age 71 at £6m a year, with another peak at £5.6m for those aged 78. A significant reduction is not experienced until pensioners are in their early 80's. This is in line with the longevity demographic assumptions reported in the last valuation exercise.



- 8% of the recipients are aged 85 or over and account for 9% of the annual benefits being received.
- There are 11 recipients who are aged 100 or over.
- The pension being drawn for the longest, is 57 years and is currently £5,627. The initial amount of this pension was £266 in 1968 when it was first drawn.
- 46 pensions have been claimed for 40 or more years.
- The average amount received during the year is £5,576.60. 14,955 recipients receive less than the average payment.
- The national average wage is £36,972. 248 recipients receive in excess of the national average wage.

Contribution Receipts

A review is carried out on the timings of the payment of pension contributions to the fund by the employers and reported quarterly to the Pension Board. The administration strategy requires these to be received by the Pension Fund within 5 working days of the month in which the contributions were deducted. The table below summarises the timeliness of receipts for the 2024-25 financial year:

	2024-25		
	Emp.	Contribs.	
	%	£'000	%
On Time	90	142,830	98
Up to 1 week late	5	949	1
Over 1 week late	5	841	1
Total		144,620	

Cost of Running the Fund

Running costs are incurred in administration, investment management and governance. The costs for 2024-25 were £15.618 million, representing about 0.35% of the value of the Fund at 31 March 2025.



Shingle Street beach

Administration Expenses

Administrative expenses consist of costs incurred by Suffolk County Council as administering authority of the Pension Fund, relating to activities the pension administration team perform to administer and pay pensions and provide members with scheme and benefit entitlement information, such as their annual benefit statements.

	2023-24	2024-25
Administration Expenses	£'000	£'000
Suffolk County Council	1,212	1,362
Heywood pension administration system	407	594
Subscriptions and other costs	49	54
Total Administration Expenses	1,668	2,010

The Heywood administration software system supports the pensions' administration team to fulfil the complex requirements around administering the scheme; such as calculating pension benefits. The system holds every pension member record and history. Ongoing charges are incurred for maintenance of the system, licenses to use it and includes the costs of the self-service system which allows contributing and deferred members of the scheme to access their pension data, change their personal details and upload documents, calculate their pension estimates and receive their annual benefit statements.

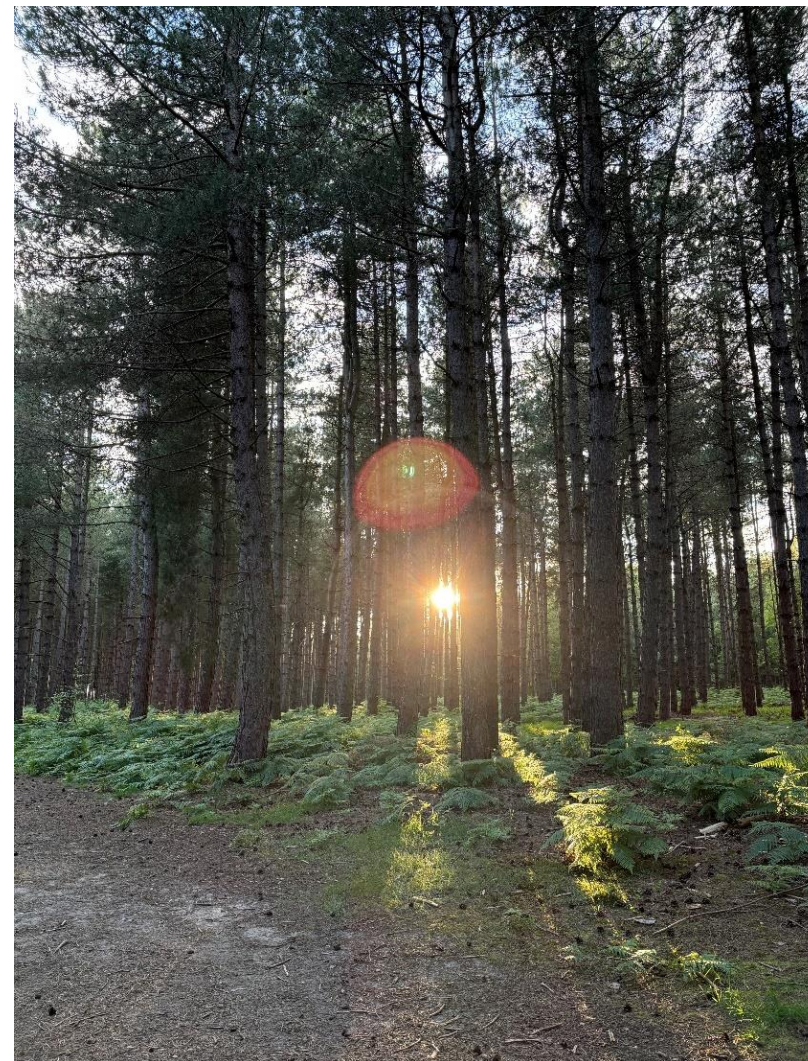
Heywood also provides the Fund with an integrated Pensioner payroll system that links with the member self-service module allowing pensioner members to view their payslips, P60's and keep their personal data up to date therefore reducing printing and postage costs whilst improving members access to their information.

Oversight and Governance Expenses

Oversight and governance expenses are costs relating to the 'over seeing' of the fund such as actuarial costs, internal and external audit costs and the costs of independent advisers to the Fund. Costs associated with the operation and support of the Pension Fund Committee and Pension Board, and costs associated with statutory and non-statutory reporting such as committee reports, annual reports and accounts.

Asset pooling costs represents Suffolk's share of costs included in the ACCESS Pool Report (please see section on ACCESS for further information about the costs of the Pool). These are the operational ongoing costs for running the ACCESS Pool and include the costs of the ACCESS support unit and professional and legal advice.

	2023-24	2024-25
Oversight and Governance Expenses	£'000	£'000
Suffolk County Council	170	198
Pension Fund Committee	7	9
Pension Board	3	4
Actuarial Services	100	132
Audit Fees	93	111
Legal Fees	1	0
Performance Analysis	20	47
Proxy Voting Service	0	0
Investment Advice	137	145
Asset Pooling	146	224
Subscriptions and membership fees	15	15
Total Oversight and Governance Expenses	692	885



Rendlesham Forest, Near Woodbridge

Investment Management Expenses

Investment management expenses are costs related to the management of the fund's assets, including directly invoiced fees from investments managers and fees payable to fund managers which are deducted from the fund assets as opposed to being invoiced to the Pension Fund. The fees charged by the custodian, are also included.

In the Pension Fund accounts, (as per CIPFA guidance), only the fees and expenses that the Fund has a contractual liability for are included, this means that only the management fee, depositary fees and audit fees charged by Waystone for overseeing the sub-funds that Suffolk are invested in are shown. The additional fees and expenses paid to the investment managers that Waystone has a contractual agreement with, on behalf of the Fund, (Newton, Blackrock, Janus Henderson, M&G, Baillie Gifford, Fidelity, Longview and Columbia Threadneedle), are £6.251 million.

The Scheme Advisory Board have been supporting the cost transparency initiative which was developed through the LGPS code of transparency. Many of the managers the Fund has investment with have signed up to the voluntary code and submitted templates which illustrates underlying indirect costs which the Suffolk Pension Fund does not have a direct contractual liability.

These costs include indirect transaction costs, which is the difference between the buying and selling prices of investments and their actual value (bid offer spread) and implicit costs which is the opportunity cost of the investment manager using internal resources, these costs total £2.094 million.



Walkway, Snape Maltings

	2023-24	2024-25
Investment Management Expenses	£'000	£'000
BlackRock	-30	0
Brookfield	0	0
CBRE	0	544
InHouse	-13	0
J P Morgan	1,974	1,979
KKR	778	267
Waystone	373	448
M&G	763	754
Pantheon	1,054	1,353
Partners	4,527	5,032
Pyrford	291	150
Schroders	1,088	715
UBS	488	520
Wilshire	422	68
Transaction Costs	498	855
Custodian (NT)	40	38
Total Investment Management Expenses	12,253	12,721

Notes:

1. Blackrock bonds were disinvested in the previous year.
2. CBRE is the pools provider of property investments and replaced Schroders during the year.
3. Transaction costs include a dilution levy which is payable when the Fund makes new or additional investments.

Included in the Investment management expenses (previous table) for some of the investments, are an element of performance fee, these can be based on the net asset value breaching the watermark (highest valuation of the investment) or the returns exceeding a prescribed target. A negative figure denotes a reduction in the accumulative performance fee in investments that are paid a performance fee when the investments has been realised.

A breakdown of the performance fee element included in the previous table is as below:

	2023-24	2024-25
Investment Management Expenses	£'000	£'000
JP Morgan	734	442
Partners	895	1,371
Total Investment Management Expenses	1,629	1,813

Investment Income

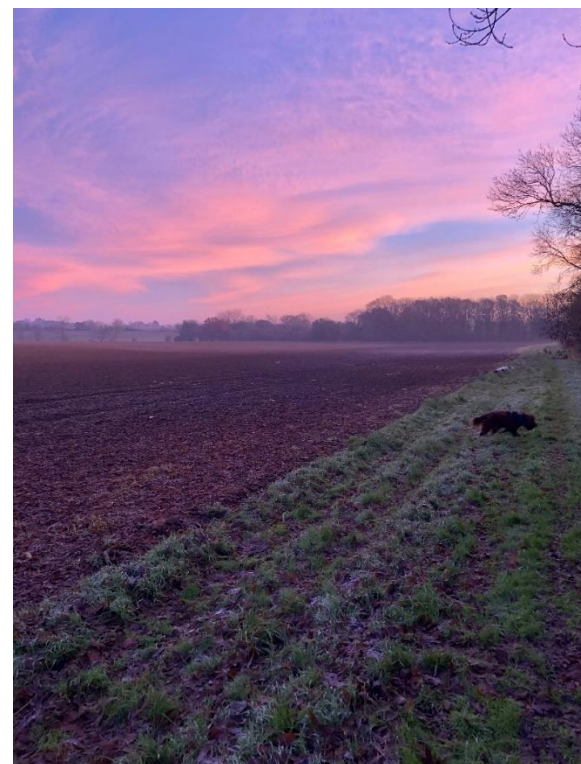
The table below shows the sources of Investment Income earned by the Fund in 2024-25:

	UK	Non-UK	Global
Investment Income	£'m	£'m	£'m
Equities	7.161	-	74.331
Property	12.388		
Alternatives	7.793	9.631	11.354
Cash & Cash Equivalent	1.191	-	-
Other	-	-	-
Total Investment Income	28.533	9.631	85.685

Global holdings are those that include an element of both overseas and UK listed assets.

Alternatives include private equity, illiquid debt, absolute returns, timber and infrastructure.

Other, denotes assets not falling into any other category such as investment vehicles where the underlying investments may comprise of assets of more than one type.



Worlingworth

Fund Performance Report

Investment Powers

Within the Local Government Pension Scheme (Investment and Management of Funds) Regulations 2016 the Government has placed a 5% restriction on the investments of the Suffolk Pension Fund into entities connected with Suffolk County Council. The Pension Fund has no investments in entities connected to Suffolk County Council and is therefore below the 5% statutory limit included in the regulations.

Investment Strategy Statement

The Fund's investment objectives and asset allocation are incorporated into its Investment Strategy Statement, which is published on the Suffolk Pension Fund website (www.suffolkpensionfund.org).

The Pension Fund Committee has approved a customised asset allocation for the Pension Fund, based on a review of its investment strategy that was carried out with the assistance of its investment advisors, Hymans Robertson LLP and Mark Stevens.

The Fund's investments are allocated across a range of asset classes. The largest allocation is to equities which also accounts for the majority of the investment risk taken by the Fund.

Asset Allocation

The Suffolk Pension Fund is currently cash flow negative, meaning that benefit payments are in excess of annual contributions. and therefore the Fund uses income from investment and cash surplus from disinvestments to make up the shortfall.

There are significant levels of diversification between different asset classes to reduce overall portfolio risk through combining the performance of each asset class. This helps reduce the volatility effects

of the financial markets, whilst maintaining the Fund's relatively low risk approach.

The Fund has a 73.5% allocation to 'growth' assets (equities and alternatives) in order to meet the long-term funding assumptions set out in the 2022 actuarial valuation.

Over the long term, equities are expected to outperform other liquid asset classes, particularly bonds. Allocations to asset classes other than equities and bonds allow the Fund to gain exposure to other forms of risk premium and can reduce the overall volatility of portfolios. These assets are expected to generate returns broadly similar to equities over the long term and so allocations to these can maintain the expected return and assist in the management of market movement.

The Committee recognises Environmental, Social and Governance (ESG) issues can impact on the Fund's investment returns and is committed to responsible investing so as to develop a sustainable investment approach to protect future Fund performance.

Within the global equities holdings there is an allocation to the Climate Aware Fund and to a Low Carbon Transition Fund both managed by UBS. These Funds help mitigate the risk of climate change and represents a transition to a lower carbon portfolio than other global index tracking funds. The Fund aims to deliver returns broadly in line with the FTSE Developed Index and will increase or decrease exposures to constituents of the index based on their expected contributions towards climate change.

The 26% allocation to bonds is designed to help manage overall levels of funding volatility.

The strategic benchmark and the actual asset allocation of the Fund at March 2025 are shown below along with the maximum investment limits set for each asset class.

Asset Allocation			
	Actual Allocation March 2025	Long-term Allocation	Maximum Limit
	%	%	%
UK Equities	5.5	5.0	15.0
Overseas Equities	40.9	35.5	50.0
Total Equities	46.5	40.5	65.0
Target Return	24.0	22.0	35.0
Investment Grade	3.8	4.0	8.0
Total Bonds	27.9	26.0	43.0
Private equity	3.2	4.0	8.0
Property	9.1	12.0	20.0
Infrastructure	9.7	10.0	15.0
Illiquid Debt	2.8	5.0	8.0
Timber	0.4	2.0	5.0
Total Alternatives	25.2	33.0	56.0
Cash & Cash Equivalents	0.4	0.5	5.0
Total	100.0	100.0	

Global equities have outperformed the rest of the portfolio, the level is closely monitored and the position is discussed as part as the quarterly investment performance review.

The illiquid debt is awaiting new investment opportunities to attain the strategic allocation.

Investment Management Arrangements

The Fund's investment management arrangements at March 2025 are shown below.

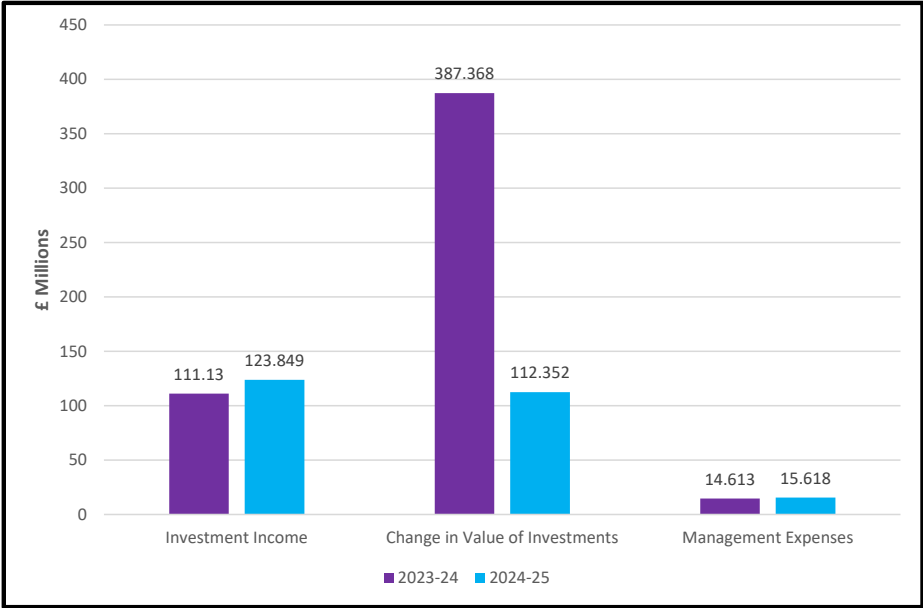
Fund Manager Allocation			
Investment Manager	Asset class	Actual allocation March 2025	Long-term allocation
CBRE	Property	9.1	12.0
J P Morgan	Infrastructure, Timber	6.4	7.0
Kohlberg, Kravis, Roberts (KKR)	Infrastructure	1.5	1.5
M&G Investments	Illiquid Debt and Infrastructure	1.6	3.5
Pantheon	Private equity	3.1	4.0
Partners Group	Infrastructure	3.4	4.0
Stafford Capital Partners	Timber	0.0	1.0
UBS	Equities and Bonds	23.2	21.0
Waystone	Global equities, UK Equities, Global Bonds	51.2	45.5
Wilshire	Private equity	0.1	0.0
Internal Cash	Cash	0.4	0.5
Total		100.0	100.0

Notes

- Commitments with KKR, Partners, Pantheon, the Debt Solution Fund and Infracapital commitments made to M&G and timber with JP Morgan and Stafford Capital Partners are part funded. These investments only call for capital funding when they have an investment to fund and will continue to increase their holdings in the forthcoming financial year.
- Wilshire, the older commitment to Pantheon, Partners and the Debt Opportunity investment with M&G are in the process of realising the underlying investments and returning cash to the Pension Fund.

Investment Performance

The chart below shows the comparative investment returns between 2023-24 and 2024-25. The change in the value of the Fund's investments includes realised and unrealised gains and losses during the year.



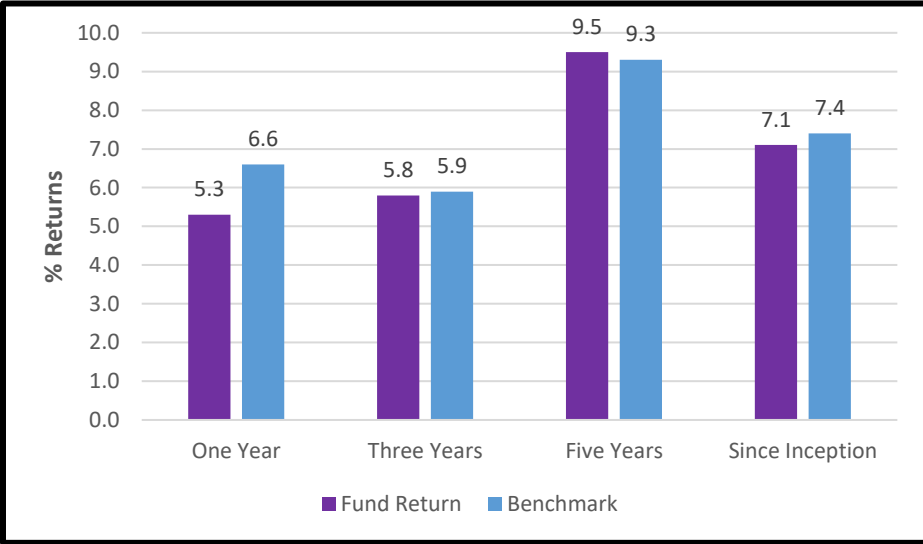
The Fund's total assets has increased from £4,253 million to £4,471 million during 2024-25, representing an investment return of 5.3%.

Fund Investment returns

The Fund's benchmark is based on the weighted average of the market index returns for the markets in which it invests in or a mandate specific absolute return. The Fund underperformed the benchmark by 1.3% over the full year period.

The Fund slightly underperformed the benchmark over the three-year and slightly overperformed the five-year period with a slight underperformance since inception.

The Fund's investment return compared with its benchmark index over one, three, five and ten years and since inception are:



Long-term Investment Performance

The Fund's investment returns over the previous ten years are shown below compared to the Fund's own benchmark. In addition, the Fund's returns are compared with the movement in consumer price inflation as at September for each period.

Long-term performance (year ended 31 March)										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	%	%	%	%	%	%	%	%	%	%
Fund return	0.7	19.0	4.0	5.9	-4.5	16.8	10.2	-0.5	12.9	5.3
Fund benchmark	1.5	17.9	4.8	7.4	-3.3	18.7	10.3	-0.1	11.6	6.6
Relative return	-0.8	1.1	-0.8	-1.5	-1.2	-1.9	-0.1	-0.4	1.3	-1.3
Consumer Price Inflation	1.0	3.0	2.4	1.7	0.5	0.5	3.1	10.1	6.7	2.4

Over the longer term the Fund's investment return is substantially above the increase in consumer price inflation, which is the factor applied as the pension increase in April the following year and as such has a direct impact on the movement of the Fund's pension liabilities.



Gull Wing Bridge, Lowestoft

The table below shows the opening and closing balances and reported performance for each asset class (excluding cash) for 2024-25, alongside the Suffolk benchmark target and the passive index if an appropriate index exists.

Holdings	Opening Value		Closing value		Perf.	Passive Index	Benchmark
	£' m	%	£' m	%	%	%	%
Pooled & Pool Aligned							
UK Equities	349.411	8.2	246.749	5.5	8.3	-3.3	10.5
Overseas Equities	623.406	14.7	795.297	17.9	4.7	6.5	5.4
Global Bonds	990.220	23.4	1,242.291	28.0	8.1	-10.8	7.7
Passive Equities	1,015.946	24.1	1,038.360	23.3	6.5	6.5	5.2
UK Index-linked Bonds	158.593	3.7					
Infrastructure	223.169	5.3	270.110	6.1	7.6		8.0
Property			388.770	8.7			
Timber			15.775	0.4	6.2		8.0
Total Pool Aligned	3,360.745	79.4	3,997.352	89.9			
Absolute Return	69.580	1.6					
Illiquid Debt	144.342	3.4	126.354	2.8	7.1		8.0
Infrastructure	162.251	3.8	163.986	3.7	2.4		8.0
Money Market	28.528	0.7	16.166	0.4	5.6		2.4
Private Equity	166.052	3.9	144.289	3.2	-3.3		4.9
Property	306.181	7.2					
Timber	0.041	0.0	0.037	0.0	-8.0		8.0
Total Alternatives	876.975	20.6	450.832	10.1			
Total	4,237.720	100.0	4,448.184	100.0			

Manager Performance

The table below shows the investment returns by the Fund's investment managers relative to their benchmarks over one, three and five years (where available) and their absolute returns for the year.

The investment objectives of the Fund's investment managers are to outperform relative to their benchmark index, typically the index for the market they are invested in or on an absolute return cash plus basis.

Investment Manager Performance					
Share of Fund 31 Mar 25	Manager	2024-25 Absolute Return	2024-25 Relative Return	3 Year Relative Return	5 Year Relative Return
%		%	%	% p.a.	% p.a.
9.0	CBRE	0.0	0.0	0.0	0.0
1.5	KKR	14.6	6.6	0.0	0.0
6.7	JP Morgan	7.6	-0.4	0.4	-0.8
1.6	M&G	-19.3	-26.4	-11.2	2.5
3.1	Pantheon	-3.0	-7.9	-7.2	-2.4
3.4	Partners Group	7.7	-0.3	1.0	3.7
23.2	UBS	5.5	0.8	1.4	0.8
51.1	Waystone	7.4	-0.3	0.8	-0.7
0.1	Wilshire	-11.5	-16.3	-19.8	-15.6



Scallop, A conversation with the sea, Aldeburgh

Government Reporting Requirements

Government has requested additional information on investments to be included in LGPS Pension Fund's Annual Reports covering pooled assets, levelling up assets, private equity and UK investments.

The Suffolk Pension Fund currently has a 5% allocation to private equity. The last commitments were made in 2014 and were made to global equity funds.

The Fund does not currently have any investments in levelling up.

The Fund's investment in UK Equity and Government Bonds is as below:

Asset Table				
	Pooled	Under Pool Management	Not Pooled	Total
	£'m	£'m	£'m	£'m
Equities	246.749	41.815	-	288.565
Bonds	171.980	-		171.980
Total	418.730	41.815	-	460.545

Asset Pooling

- The Suffolk Pension Fund has made a commitment to pool all of its assets into the ACCESS Pool. (Please see section on ACCESS for further information about the Pool). The first sub-fund that Suffolk transferred into was the Newton Global Equity Fund which was available for investment in the first quarter of 2019-20.
- During 2024 – 2025 the Fund transferred its Property holding with Schroders into ACCESS with CBRE.
- JP Morgan infrastructure fund has been appointed as a Pool Aligned asset manager.

- The passive investment funds are held on a pool governance basis under one investment manager as these assets are held in life fund policies, which cannot be held within an authorised contractual scheme which is how the Pool operates.
- The Suffolk Pension Fund has £2.284 billion in sub-funds and £1.713 billion under pooled governance accounting for 90% of the Fund's assets.
- The Suffolk Pension Fund has saved £3.5 million in 2024 - 2025, on investment management fees on assets that have been pooled or under pooled governance.
- The Fund also made a 2% commitment to Timberlands through ACCESS.

Asset Table				
	Pooled	Under Pool Management	Not Pooled	Total
	£'m	£'m	£'m	£'m
Equities	1,042.046	1,038.361		2,080.408
Bonds	1,242.291			1,242.291
Property		388.770		388.770
Private equity			144.289	144.289
Illiquid Debt			126.354	126.353
Infrastructure		270.110	163.986	434.096
Cash & Cash Equivalents			30.725	30.725
Other		15.775	0.036	15.812
Total	2,284.337	1,713.016	465.390	4,462.743

Environmental, Social and Governance

The Pension Fund Committee has developed a set of ESG beliefs as part of its responsible investment philosophy which underpins its investment objective – to deliver an investment return consistent with funding plans that does not compromise future generation's ability to meet their own needs.

In addition to the beliefs set up, the Committee identified climate change, pollution and company stewardship as its priorities for responsible investment.

These beliefs and priorities have been incorporated into the investment beliefs and environmental, social and governance considerations set out in the investment strategy statement.

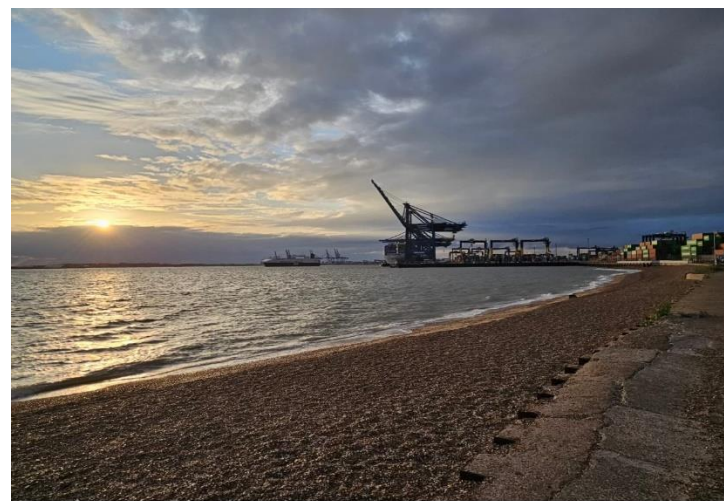
Engagement

The Suffolk Pension Fund is a member of the Local Authorities Pension Fund Forum (LAPFF). The LAPFF was established to develop a collective response to ESG issues through constructive dialogue and filing of shareholder resolutions. There are 85 LGPS (7 ACCESS Pension Funds) covering £425 billion of assets, who are members of the forum and 7 pools (including ACCESS).

The forum engages directly with company chairs and boards to affect change at investee companies and challenge regulators to deliver reforms that advance corporate responsibility and responsible investment.

The Fund expects its investment managers to be engaged in social, environmental and ethical considerations insofar as these matters are regarded as impacting on the current and future valuations of individual investments. The Fund believes taking account of such considerations forms part of the investment managers' normal fiduciary duty and expects the investment managers to report the engagement that they have undertaken.

As such, the Fund has a commitment to ensure that companies in which it invests adopt a responsible attitude towards the environment and have high ethical standards. Generally, such companies are expected to behave in a socially responsible manner by taking account of the interests of all stakeholders, which includes how the company will adapt to the effects of climate change.



Cranes, Felixstowe Docks

Voting Policy

The Pension Fund seeks to protect and enhance the value of its shareholdings by promoting good practice in the corporate governance and management of the companies that it invests in which includes the investment managers voting at shareholder meetings.

The equity investments with Blackrock, Newton, Columbia, Longview & Baillie Gifford are held within ACCESS sub-funds and not held in the name of the Suffolk Pension Fund, therefore the ACCESS voting guidelines for inclusion by Waystone in the Investment Management Agreements apply. These are aligned with the Suffolk Pension Fund voting principles.

The voting guidelines set out those matters of importance to the participating ACCESS Pension Funds and promote good corporate governance and management in the companies in which investments are made. In circumstances where investment managers do not adopt the positions set out in these guidelines, they are required to provide a robust explanation of the position adopted.

The general principles followed in the guidelines are: -

- Will vote in favour of proposals at annual and extraordinary general meetings which comply with good practice on corporate governance. The definition of good practice is based on the guidelines in the UK Corporate Governance Code.
- Will vote against proposals which breach the Code and where the company is unable to provide a satisfactory explanation of its policy.
- Will in general abstain on proposals which do not relate to issues contained in the good practice guidance in the Code.

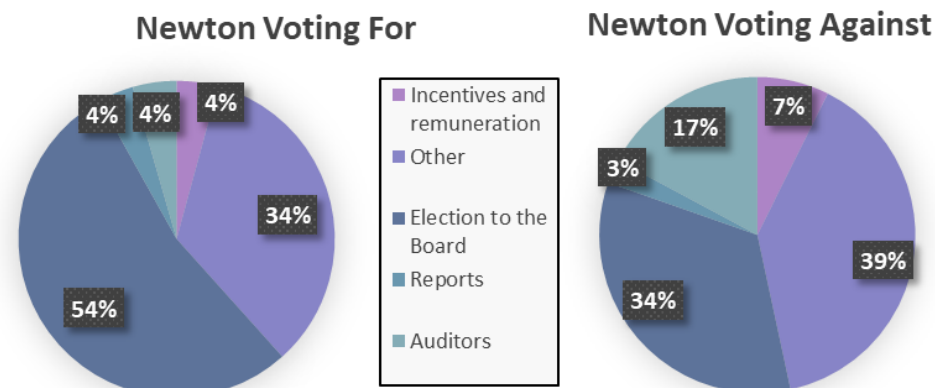
Voting on Newton Sub-fund holdings

Newton have voted at 58 meetings during the year on 1019 resolutions. 850 (83%) were for the resolution and 163 (16%) were against and 6 (1%) received abstain votes. These were all in line with the ACCESS voting guidelines.

The votes cast can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	516
Incentives and Remuneration	48
Reports	35
Auditors	66
Other	354

The categorisation of the votes cast are set as below:





Wolf and Crown, Bury St. Edmunds

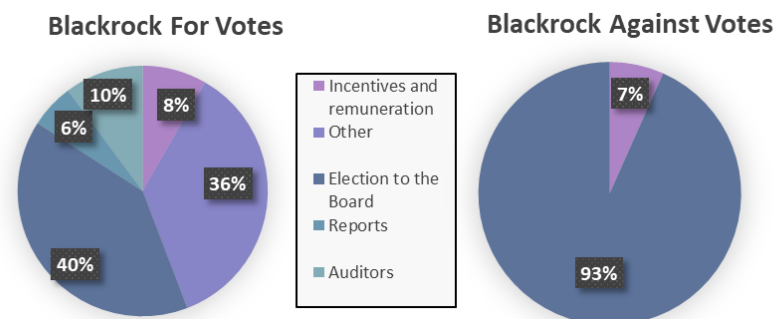
Voting on Blackrock Sub-fund holdings

Blackrock have voted at 84 meetings during the year on 1,407 resolutions. 1,385 (98%) were for the resolution, 15 (1%) were against and 7 (1%) received abstain votes.

The votes cast can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	574
Incentives and Remuneration	116
Reports	79
Auditors	141
Other	497

The categorisation of the votes cast are set as below:



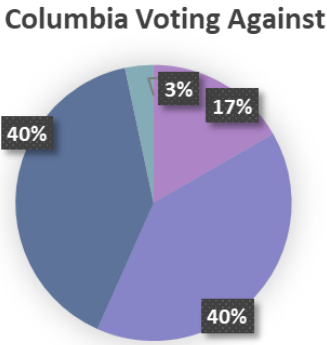
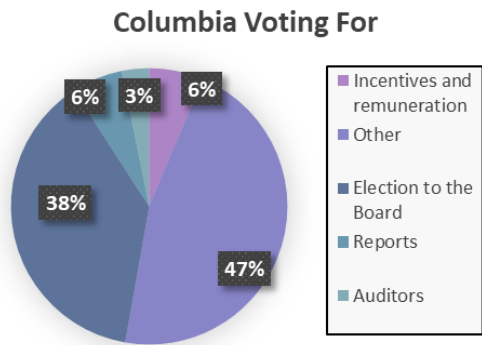
Voting on Columbia Sub-fund holdings

Columbia have voted at 53 meetings during the year on 282 resolutions. 252 (89%) were for the resolution and 30 (11%) were against.

The votes cast can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	108
Incentives and Remuneration	21
Reports	15
Auditors	9
Other	129

The categorisation of the votes cast are set as below:



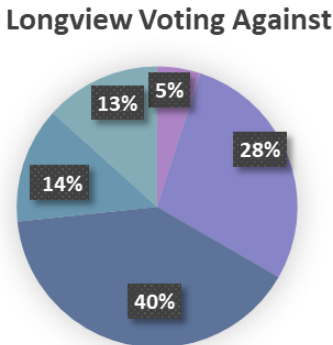
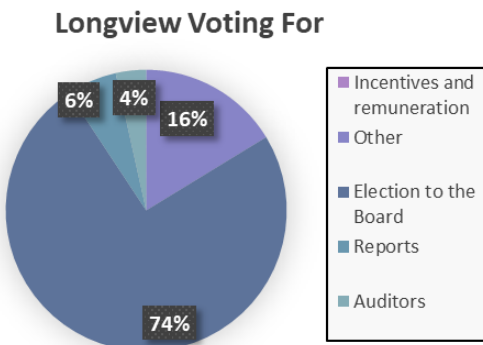
Voting on Longview Sub-fund holdings

Longview have voted at 10 meetings during the year on 154 resolutions. 86 (56%) were for the resolution, 60 (39%) were against and 8 (5%) received abstain votes.

The votes cast can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	95
Incentives and Remuneration	3
Reports	13
Auditors	11
Other	32

The categorisation of the votes cast are set as below:



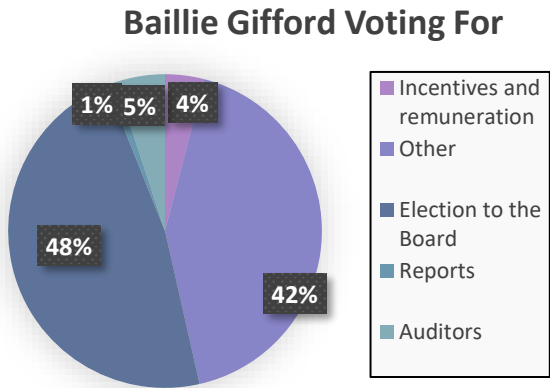
Voting on Baillie Gifford Sub-fund holdings

Baillie Gifford have voted at 12 meetings during the year on 100 resolutions. 99 (99%) were for the resolution and 1(1%) received abstain votes.

The votes cast can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	67
Incentives and Remuneration	3
Reports	6
Auditors	8
Other	35

The categorisation of the votes are set as below:



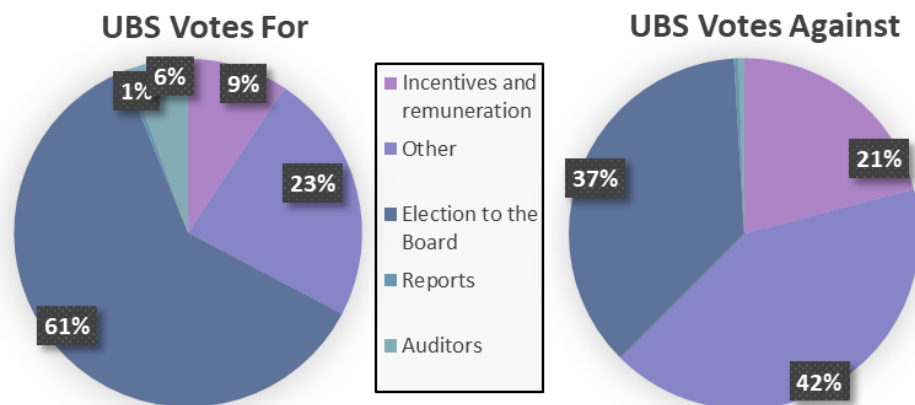
Rendlesham Forest, Near Woodbridge

Voting on UBS index tracking holdings

UBS votes in line with their voting policy for the index tracking investments they make on behalf of the Fund, as they are not able to systematically apply the ACCESS voting guidelines to each proxy vote. They are also unable to compare the ACCESS voting guidelines to each vote and determine any difference in the outcome.

UBS have voted at 3,508 meetings on the Fund's behalf during the year on 43,788 resolutions. 38,911 (89%) were for the resolution and 4,375 (10%) were against and 502 (1%) received abstain votes.

The categorisation of the votes are set as below:



The votes against the proposal can be categorised as follows:

Vote Categorisation	Number of Votes Cast
Election of Directors	1,600
Incentives and Remuneration	916
Reports	19
Auditors	22
Other	1,818

The reasoning for the largest proportion of against votes are:

- Concerns regarding the independence of the proposed candidate or that the nomination committee does not comprise a majority of independent directors.
- Lack of reporting disclosure which results in shareholders not being able to make an informed voting decision.
- Business and related party transactions are not in line with shareholders' interests and/or disclosure is below best market practice.
- Company pay frameworks do not demonstrate long term incentives or performance. The short-term incentives and performance figures do not align with the shareholder's long-term interests.

Administration Report

Pension Administration Team

The Pension Administration team carries out a range of pension benefit calculations and administrative functions:

- Maintaining an accurate database of scheme members, deferred members and pensioners;
- Calculating service credits from incoming transfer values and notifying scheme members accordingly;
- Calculating and paying outgoing transfer values to other pension schemes and providers;
- Calculating and notifying amounts of deferred pension benefits when a member leaves before normal retirement age;
- Calculating and paying pension benefits when a member retires;
- Implementing amending legislation when received, assessing the impact of the changes and communicating the effect to members, deferred members, pensioners and scheme employers;
- Providing estimates of benefits, information on entitlements and implementing pension sharing orders on divorce;
- Paying pensioners monthly;
- Calculating and paying dependent pensions and lump sums when a member, deferred member or pensioner dies.

Summary of Work Undertaken by the Fund in 2024-25

In addition to the day-to-day functions of completing and processing various administration tasks the team seeks to continually improve the functionality of the Pension Fund and the quality of the data required to administer the Pension Fund effectively and to a high standard.

The member self service system has been upgraded to 'Engage' which improves the functionality for members when using the Fund's online services. Engage offers several improvements, including a simplified

registration process, more calculators to help members plan for retirement and the opportunity to upload documents securely to their account.

Progress has been made on the i-Connect implementation, with 56% of all employers now sending monthly data. This equates to just over 42% of all active members. Work is continuing in this area with the expectation that further employers will be able to commence using this solution during 2025/2026.

A lot of time has been spent working with specific employers to resolve issues and get the system live with them. Work continues with other employers, and the administration team will continue to support and help ensure successful solutions can be found to challenges faced. Moving employers onto I-connect is beneficial for all parties, reducing administration tasks and keeping records up to date.

A new reporting tool was introduced which enables the management team to extract more information from the administration system and takes less time. This supports management of the team and enables time to be focused on delivering services to members.

The ongoing work to reduce the number of undecided leavers has continued throughout this year. Undecided leavers are members who have paid into the pension scheme for less than two years before they left employment and have not requested a refund or a transfer of their contributions into another pension scheme.

A significant amount of time has been spent processing and clearing undecided leavers and regular updates are provided to both the Pension Fund Committee and the Pension Board. The total number has reduced by 51% since work commenced in 2020. This work will continue in the coming year with the aim of reducing these to just the cases of members who have recently left their employment.

The McCloud legislation and remedy was introduced from 1 October 2023. The members of the Fire Pension scheme were prioritised as there was an earlier deadline for completion. Work will continue for

LGPS members during 2025/26. The team have received external training sessions to help give them a greater understanding how to implement the remedy for the different type of cases.

The administration system has been readied for the work and testing of cases is underway. Members have been kept up to date in the various newsletters issued throughout the year.

The format of the various newsletters which are produced and sent out to Employers, Active and Pensioner members has been re-vamped with a new template which is more visually appealing and has received positive feedback. The Fund continues to see a spike in self-service registrations following newsletter communications.

Action to improve data quality

The Fund continuously reviews and improves the quality of data wherever possible. Common and conditional data scores remain at 96% and 99% respectively which were reported to the Pensions Regulator.

The introduction of the new reporting tool provides more information including reports highlighting where member information can be improved. Records are reviewed and updated using these report outputs.

In the first half of 2025 – 2026 the Fund will be implementing its connection to Government's Pension dashboard to ensure connection by the October 2025 deadline. The new contract for the Pensions Administration System that was put in place in November 2024 included a link to the Pensions Dashboard.

IDRP Complaints

If a member or their representative has a formal complaint against the administration of the Pension fund or wishes to appeal against a decision which has affected them, they can invoke the Pension Fund's Internal Dispute Resolution Procedure (IDRP). There are 3 stages to this process.

The first stage ensures a nominated person from the scheme employer will look at the case with the requirement that this individual has had no previous involvement in the case. The nominated person will review the complaint and notify the person of their decision.

If the person raising the complaint is dissatisfied with the first stage decision, they can apply for a second stage review of the decision, which is undertaken by the person nominated by the Head of Legal Services at Suffolk County Council to hear such disputes. If the person is still dissatisfied, they can take their case to the Pensions Ombudsman for a further review.

During 2024 – 2025 there were four new IDRP cases. Three of these cases went to stage 1, with the other going onto stage 2:

Case 1 - related to an historic employer action which resulted in the member not being awarded their deferred benefits on the grounds of ill health. The stage 1 decision upheld the members complaint and the employer corrected the matter.

Case 2 - was from a member unhappy their AVC payment had not been paid by the AVC provider as due when they retired. The Pensions Team were in agreement with the members point of view in accordance with the Pension regulations and the stage 1 response upheld the members complaint.

This response was also shared with the AVC provider before the member then raised this as a stage 2 dispute. However, the AVC

provider then resolved the matter by paying the monies due and then this stage 2 dispute was withdrawn.

Case 3 - dispute was from a member complaining they were not given any options when they transferred their pension out of the scheme over 20 years ago. The complaint was not upheld based on their being no evidence of inappropriate information being provided by the Pensions team, and there was no obligation to do anything different to what was provided.

Case 4 - was a member asking for reimbursement for lost interest and annuity payments in relation to delays experienced in receiving their AVC payment. The stage 1 response did not uphold the members complaint. This dispute then moved to stage 2 which again did not uphold the complaint.



Bramford Meadows

Key Performance Indicators

The administration team monitors its performance based on the key indicators in the tables below and overleaf. This information has been downloaded from the Heywood Altair pension administration system which records all tasks required to be completed.

Ref	Casework KPI	Total number of cases	Total number of new cases created in the year (1 April to 30 March)	Total number of cases completed in year	Total % of cases completed in year	Total number of cases completed in previous year	Total % of cases completed in previous year
A1	Deaths recorded of active, deferred, pensioner and dependent members	5	559	563	99	522	99
A2	New dependent member benefits	5	253	256	99	203	98
A3	Deferred member retirements	42	902	913	97	836	95
A4	Active member retirements	37	608	620	96	575	94
A5	Deferred benefits	826	2,479	2,654	80	2,987	75
A6	Transfers in (including interfunds in, club transfers)	57	434	439	99	414	98
A7	Transfers out (including interfunds out, club transfers)	19	297	299	95	256	93

Ref	Casework KPI	Total number of cases open as at 31 March (starting position)	Total number of new cases created in the year (1 April to 30 March)	Total number of cases completed in year	Total % of cases completed in year	Total number of cases completed in previous year	Total % of cases completed in previous year
A8	Refunds	0	866	862	99	835	100
A9	Divorce quotations issued	9	194	187	97	154	94
A10	Actual divorce cases	0	2	2	100	4	100
A11	Member estimates requested either by scheme member or employer	11	343	353	99	258	96
A12	New joiner notifications	0	4,850	4,850	100	3,914	100
A13	Aggregation cases	112	2,456	2,505	98	1,535	61
A14	Optants out after 3 months membership*	N/A	N/A	N/A	N/A	N/A	N/A

* These figures are included in 8 above. We don't capture opt out while in employment separately

Time taken to process casework

Ref	Casework KPI	Cases commenced in Year	Cases completed during the Year	Percentage Completed in Year
B1	Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	5 days	99	99
B2	Communication issued confirming the amount of dependents pension	10 days	99	99
B3	Communication issued to deferred member with pension and lump sum options (quotation)	5 days	99	99
B4	Communication issued to active member with pension and lump sum options (quotation)	5 days	99	100
B5	Communication issued to deferred member with confirmation of pension and lump sum options (actual)	10 days	99	99
B6	Communication issued to active member with confirmation of pension and lump sum (actual)	10 days	99	98
B7	Payment of lump sum (both actives and deferreds)	10 days	99	99

Ref	Casework KPI	Cases commenced in Year	Cases completed during the Year	Percentage Completed in Year
B8	Communication issued with deferred benefit options	30 days	71	66
B9	Communication issued to scheme member with completion of transfer in	10 days	75	62
B10	Communication issued to scheme member with completion of transfer out	10 days	78	79
B11	Payment of refund	10 days	92	97
B12	Divorce quotation	10 days	92	100
B13	Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	10 days	100	100
B14	Communication issued to new starters**	At point of commencing employment	N/A	N/A
B15	Member estimates requested by scheme member and employer	10 days	92	95

Communications and Engagement

Ref	Engagement with online portals	Percentage as at 31 March
C1	% of active members registered	20%
C2	% of deferred members registered	14%
C3	% of pensioner and survivor members	22%
C4	% of total of all scheme members registered for self service	19%
C5	Number of registered users by age	
	18-30	343
	31-40	814
	41-50	1,581
	51-60	4,278
	61-70	4,253
	71-80	1,103
	81+	145

Ref	Cases completed during the Year	Percentage Completed in Year
C6	% of registered users that have logged onto the system in the last 12 months	100%
	Communication	
C7	Total number of telephone calls received in year	8,134
C8	Total number of e-mail and online channel queries received	35,193
C9	Number of scheme members events held in year (total in person and online)	1
C10	Number of employer engagement events held in year (in person and online)	1
C11	Number of active members who received a one to one (in person and online)	500
C12	Number of times a communication (i.e. newsletter) issued to:	
	-Active members	3
	-Deferred members	1
	-Pensioners	2

Administration Resources and Data Quality

Ref	Resources	Data
D1	Total number of all administration staff (FTE)	29.02
D2	Average Service length of all administration staff	11.75 years
D3	Staff vacancy rate %	10%
D4	Ratio of all administration staff to total number of scheme members (all staff including management)	1:2571
D5	Ratio of administration staff (excluding management) to total number of scheme members	1:2726
Annual Benefit Statements		
E1	Percentage of annual benefit statements issued as at 31 August	100%
	Short commentary if less than 100%	N/A
Data category		
E3	Common data score	96%
E4	Scheme specific data score	99%
E5	Percentage of active, deferred and pensioner members recorded as 'gone away' with no home address held, or address is known to be out of date	3%
E6	Percentage of active, deferred and pensioner members with an email address held on file	48%
Employer performance		
E7	Percentage of employers set up to make monthly data submissions	56%
E8	Percentage of employers who submitted monthly data on time during the reporting year	57%

Employers in the Fund

There are 344 active employers in the Fund and 69 employers who do not have active members but have deferred pension members and/or pensioners.

	Active	Inactive	Total
Scheduled Bodies	247	2	249
Resolution Bodies	46	7	53
Admitted Bodies	51	60	111
Total	344	69	413



Crimson Clover Fields, Snape

A list of the active employers in the Fund on 31 March 2025 are as follows:

Scheduled Bodies

Scheduled bodies are local authorities, district and borough councils and other similar bodies such as colleges, academies and free schools, whose staff are automatically entitled to be members of the Fund.

Local Authority

Babergh District Council	Mid Suffolk District Council
East Suffolk Council	Suffolk County Council
Ipswich Borough Council	West Suffolk Council

Other

Association of Inshore Fisheries and Conservation Authorities (AIFCA)	Police & Crime Commissioner
Chief Constable of Suffolk	East Suffolk Services

Colleges

East Coast College	Suffolk New College
Lowestoft 6th Form College	University Campus Suffolk Ltd

Academies

Debenham Academy	The Ashley School Academy
Forest Academy	Thomas Mills High School
St Mary’s C of E Academy	Olive Academy Trust

Academy Transformation Trust

Beck Row Primary
Great Heath Academy

Mildenhall College Academy
Westbourne Academy

Active Learning Trust

Albert Pye Primary
Chantry Academy
Grove Park
Gusford
Hillside

Pakefield
Red Oak
Reydon
Sidegate
Westwood Primary

All Saints School Trust

All Saints (Laxfield)
Charsfield CoE Primary
Dennington CoE Primary
Fressingfield CEP
Great Welnetham Primary
Thorndon Primary
Cockfield Primary
Ickworth Park Primary

Hardwick Primary
Occold Primary
St Peter & St Paul
Stradbroke CEP
Worham Primary
Benhall St Mary's
Sexton's Manor

Anglian Learning

Howard Primary
Clare Community Primary

The Pines Primary
Stour Valley Community School

ASSET Education

Bungay Primary
Castle Hill Infants School
Castle Hill Junior School
Cliff Lane Primary
Eggar Sewter
Holton St Peter
Ilketshall
Ringshall Primary

Shotley Primary
St Helens Primary
Stutton C of E Primary
The Oaks Primary
Whitton Primary
Wenhaston

Children's Endeavour Trust

Abbot's Hall Community Prim
Bosmere Community Primary
Freeman Community Primary
Chilton Community Primary

Combs Ford Primary
Broke Hall
Springfield Junior
Whitehouse Infants School

Clarion Academy Trust

Pakefield High School

Diocese of Ely

St Christophers CE Primary

Diocese of Norwich**Education**

Kessingland C of E Primary

East Anglian Schools Trust

Aldeburgh Primary
Bungay High School
Castle EAST
Easton Primary
Farlingaye High School

Holbrook Academy
Kesgrave High School
Leiston Primary
Saxmundham Primary
Wickham Market Primary

Eastern Education Group Trust

Abbeygate Sixth Form College
Chalk Hill Academy
Exning Primary School
Stone Lodge Academy

Suffolk One
Sunrise Academy
The Priory School
West Suffolk College

Eastern Multi Academy Trust

The Glade Community Primary

Eko Trust

Rushmere Hall Primary

Ravenswood Primary School

Evolution Academy Trust

Coldfair Green Primary
Elm Tree Community Primary

Elveden Schools Trust

Elveden C of E Primary

Hartismere Family of Schools

Benjamin Britten High School
Hartismere School

Inspiration Trust

East Point Academy

Kingfisher Schools Trust

Alde Valley Academy
Roman Hill Primary
Stowmarket High School

Ormiston Academies Trust

Ormiston Denes Academy
Ormiston Endeavour Academy
Ormiston Sudbury Academy

Our Lady of Walsingham

St Albans Catholic High School
St Felix-Haverhill
St Louis Catholic Academy

Orwell Multi Academy Trust

Brooklands Primary
Grange Community Primary
Halifax Primary
Grace Cook Primary

Poplars Community Primary
The Dell Primary School

St Edmundsbury CEVA

Somerleyton Primary
Woods Loke Primary

Sir John Lehman High School
Snape Primary

Stoke High School
Thomas Wolsey Academy

St Mary's Catholic Primary
St Pancras Primary
St Benedicts Catholic School

Handford Hall Primary
Springfield Infant School
Willows Primary

Oxlip Learning Partnership

Bacton Community Primary
Britannia Primary School
Cedars Park Primary
Copleston High School

Paradigm Trust

Ipswich Academy
Murrayfield Primary

Penrose Learning Trust

Claydon High School
Claydon Primary
Dale Hall Primary School

Raedwald Trust

Alderwood PRU
First Base Bury St Edmunds
First Base Ipswich PRU
The Albany Centre PRU

REAch2 Multi Academy Trust

Beccles Primary
Gunton Primary
Martlesham Primary
Northfield St Nicholas Primary

Sapienta Trust

Beccles High School
Felix Primary School
Ixworth High School

St Johns the Baptist MATrust

St Benet's Catholic (Beccles)
St Edmund's Catholic (Bungay)

Mendlesham Primary
Rose Hill Primary
Stowupland High School

Pipers Vale Primary
Woodbridge Road Academy

East Bergholt High School
Hadleigh High School

Parkside Pupil Referral Unit
St Christophers PRU
Westbridge Pupil Referral Unit

Phoenix St Peter/Meadow Prim
Sprites Primary
St Margarets Primary
The Limes

Seckford Educational Trust
Stradbroke High School

St Mary's Catholic (Lowestoft)

St Edmundsbury and Ipswich**Diocesan Trust**

All Saints CEVAP School
Bedfield Primary
Bramfield C of E Primary
Brampton C of E Primary
Chelmondiston C of E Primary
Elmsett Primary
Eyke
Hartest C of E Primary
Hintlesham & Chattisham
Long Melford C of E Primary
Mellis

Thedwastre Education Trust

Great Barton CE Primary
Rattlesden CE Primary

The Tilian Partnership

Bardwell CEVC Primary
Crawford's CEVC Primary
Gislingham CEVC Primary
Ixworth CEVCP
Kersey Primary

The Consortium Multi**Academy Trust**

Barnby & North Cove
Helmingham Primary
Henley Primary
Mendham
Middleton Primary
Rendlesham Primary

Morland Primary
Nacton C of E Primary
Ringsfield C of E Primary
Sproughton CEVC Primary
St Marys Hadleigh
St Marys Woodbridge
St Matthews CEVAP
Stoke by Nayland C of E Prim
Tudor Primary
Wetheringsett C of E Primary

Thurston CE Primary
Woolpit Primary

Old Newton CEVC Primary
Orford Primary
Palgrave CEVC Primary
Rougham CEVCP
Wilby Primary

Riverwalk
St Edmunds Primary-Hoxne
Southwold Primary
Warren School
Yoxford Primary

Unity Schools Partnership

Abbotts Green
Burton End Academy
IES Breckland Free School
Castle Manor Academy
Clements Primary School
County Upper
Coupals
Felixstowe Academy
Glemsford
Houldsworth Valley
Horringer Court
Kedington Primary Academy
Langer Primary
Laureate Primary
Tollgate

Newmarket Academy
Place Farm Academy
Samuel Ward Academy
Sir Bobby Robson School
Sybil Andrews
St Peter Hall
Thomas Gainsborough
The Bridge School
The Churchill Free School
West Row Academy
Wells Hall Primary
Westfield Academy
Wickhambrook
Woodhall (Sudbury)

Resolution Bodies

Resolution bodies are bodies, usually town and parish councils who are entitled to be members but have a choice so therefore need to formally pass a resolution designating staff to be eligible to join the Fund.

Barningham Parish Council
Beccles Town Council
Botesdale Parish Council
Boxford Parish Council
Bramford Parish Council
Bury St Edmunds Town Council
Carlton Colville Town Council
Claydon & Whitton Parish Council
Coney Weston Parish Council
Felixstowe Town Council
Framlingham Town Council
Glemsford Parish Council
Great Cornard Parish Council
Great Livermere Parish Council
Great Waldingfield Council
Hadleigh Town Council
Halesworth Town Council
Haverhill Town Council
Hollesley Parish Council
IPSERV Employers Ltd
Kesgrave Town Council
Kessingland Parish Council
Lakenheath Parish Council
Leavenheath Parish Council
Leiston cum Sizewell Town Council
Long Melford Parish Council
Lowestoft Town Council
Market Weston Parish Council
Martlesham Parish Council
Melton Parish Council

Mildenhall Parish Council
Nayland and Wissington Parish Council
Onehouse Parish Council
Oulton Broad Parish Council
Pinewood Parish Council
Red Lodge PC
Redgrave Parish Council
Rendlesham Parish Council
Rickingham Parish Council
Saxmundham Town Council
Southwold TC
Stowmarket Town Council
Stradbroke Parish Council
Sudbury Town Council
The Saxhams Parish Council
Thurston Parish Council
Troston Parish Council
Ufford Parish Council
Verse
Vertas
Woodbridge Town Council
Woolpit Parish Council
Worlingham Parish Council

Admitted Bodies

Admitted bodies are voluntary and charitable organisations or private contractors undertaking a local authority function.

Abbeycroft Leisure	Caterlink – Kesgrave
Anglia Community Leisure	Caterlink – Ormiston Denes
Aspens – All Saints School Trust	Churchill – Penrose Learning Trust
Aspens – Asset	Churchill Contract Services
Aspens – Evolution Trust	Churchill CS – Kesgrave High School
Aspens – Glade Academy	Churchill CS – Hadleigh
Aspens – Kessingland	Compass – All Saints Schools Trust
Aspens – Sapientia – Felix School	Compass – ATT
Aspens – St Eds & Ipswich DMAT	Compass – EAT
Aspens – St Marys (Lowestoft)	Compass – Kessingland
Aspens – St Matthews SEIDMAT	Compass – Ormiston Sudbury
Aspens – The Ashley	Compass – Orwell
Aspens – Thedwastre (Thurston Primary)	Compass – Paradigm
Aspens – Tilian	Compass – Thedwastre
Aspens – Sapientia - Ixworth & Beccles	Concertus
Atalian Servest - WS College	Countrywide Grounds Maintenance – Unity Schools
Atlas FM – E.A.T. Glade Primary	Crystal FM – Clarion Pakefield
Atlas FM – SCC Westgate Primary	Deben – Ravenswood
Atlas FM – Thedwastre Woolpit	Ecoserv Group – TILIAN Palgrave
Atlas FM – Tilian Palgrave	Ecoserv Group – Westgate Primary School
Beccles Fenland Charity Trust	Ecoserv Group – Woolpit
Bidvest Noonan – Penrose Learning Trust	Edwards & Blake – Alde Valley
Care Quality Commission	Edwards & Blake – Aldeburgh
Care UK	Edwards & Blake – ASSET
Caterlink – ALT	Edwards & Blake – Kyson
Caterlink – Copleston	Edwards & Blake – Ormiston Denes
Caterlink – Felixstowe	Edwards & Blake – Roman Hill
Caterlink – Gorseland	Edwards & Blake – Saxmundham
Caterlink – Penrose Learning Trust	
Caterlink – St Albans	
Caterlink – U.S.P	
Caterlink – Inspiration Trust	

Edwards & Blake – Trimley St Mary
Edwards and Blake – Leiston
Elior Ltd-Chantry Academy
European Electronique
Everyone Active - Waterlane & Waveney
Flagship Housing Group
Greenace – Paradigm
Hadleigh Market Feoffment Charity
Housing 21
Impact FGL – ALT The Pines
Kier MG Ltd
Kindred – Alde Valley
Kindred – East Coast College
Kindred – Penrose Learning Trust
Landguard and Felixstowe Conservation Trust
Leading Lives
Lunchtime Co – All Saints Lawshall
Lunchtime Co – Birchwood
Lunchtime Co – C.E.T.
Lunchtime Co – EAST
Lunchtime Co – Hartismere
Lunchtime Co – Paradigm Trust
Lunchtime Co – Sebert Wood
Lunchtime Co – St Alban's OLOW
Lunchtime Co – St Felix OLOW
Lunchtime Co – Wood Ley Primary School
MadiganGill – Raedwald Trust
Milestone Infrastructure Limited
Norland Managed Services
Orwell Housing

Osiris IT - Evolution Trust (Poplars)
Papworth Trust
Phoenix Travel Ltd
Places for People
Realise Futures
Reef Cleaning Services – Penrose LT
SALC (Suffolk Association of Local Councils)
Seckford Foundation
South Suffolk Leisure – Sudbury
South Suffolk Leisure – Holbrook
Sports and Leisure Management Ltd
Suffolk Libraries IPS
Tascor – Suffolk Police
The Havebury Housing Partnership
The Pantry – Evolution Trust
The Partnership in Care Ltd
The Stevenson Centre
Thorpe Woodlands A.C.T
VHS Cleaning – Stour Valley Trust
VHS Cleaning Services Ltd – Anglian Learning - Howard
Willow Property Management – Consortium Trust

Independent Auditor's Report to the Members of Suffolk County Council

Opinion on the Pension Fund financial statements

We have audited the Pension Fund ("the Fund") financial statements for the year ended 31 March 2025 under the Local Audit and Accountability Act 2014 (as amended). The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

In our opinion the pension fund financial statements:

- give a true and fair view of the financial transactions of the Fund during the year ended 31 March 2025 and the amount and disposition at that date of the assets and liabilities as at 31 March 2025; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Council as administering authority for the Pension Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the [Chief Financial Officer]'s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the authority's ability to continue as a going concern for a period of twelve months from when the Fund's financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Financial Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the authority's ability to continue as a going concern.

Other information

The other information comprises the information included in the Statement of Accounts 2024/25 [set out on pages], other than the financial statements and our auditor's report thereon. The Chief Financial Officer is responsible for the other information contained within the Statement of Accounts 2024/25.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we report by exception

We report to you if:

- We issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended);
- We make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended);
- We make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended);
- We issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended); or
- We make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended).

We have nothing to report in these respects.

Responsibility of the Chief Financial Officer

As explained more fully in the Statement of the Chief Financial Officer's Responsibilities set out on page 68, the Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Chief Financial Officer is also responsible for such internal control as the [Chief Financial Officer] determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administering Authority either intends to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with Chief Financial Officer.

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are the Local Government Pension Scheme Regulations 2013 (as amended), and The Public Service Pensions Act 2013

We understood how the Fund is complying with those frameworks by making enquiries of the management. We corroborated this through our reading of the Pension Board minutes, through enquiry of employees to confirm Pension policies, and through the inspection of employee handbooks and other information.

Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of the management for their awareness of any non-compliance of laws or regulations, inspecting correspondence with the Pensions Regulator and review of minutes.

We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements and documenting the controls that the Fund has established to address risks identified, or that otherwise seek to prevent, deter or detect fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any identified significant transactions that were unusual or outside the normal course of business. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

The Fund is required to comply with The Local Government Pensions Scheme regulations, other legislation relevant to the governance and administration of the Local Government Pension Scheme and requirements imposed by the Pension Regulator in relation to the Local Government Pension Scheme. As such, we have considered the experience and expertise of the engagement team including the use of specialists where appropriate, to ensure that the team had an appropriate understanding of the relevant pensions regulations to assess the control environment and consider compliance of the Fund with these regulations as part of our audit procedures.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

David Riglar

September 2025

(for and on behalf of Ernst & Young LLP, Appointed Auditor)



Sunset Levington, River Orwell

Actuarial Statement for 2024-25

This statement has been prepared in accordance with Regulation 57(1)(d) of the Local Government Pension Scheme Regulations 2013. It has been prepared at the request of the Administering Authority of the Fund for the purpose of complying with the aforementioned regulation.

Description of Funding Policy

The funding policy is set out in the Administering Authority's Funding Strategy Statement (FSS). In summary, the key funding principles are as follows:

- take a prudent long-term view to secure the regulatory requirement for long-term solvency, with sufficient funds to pay benefits to members and their dependants.
- use a balanced investment strategy to meet the regulatory requirement for long-term cost efficiency (where efficiency in this context means to minimise cash contributions from employers in the long term).
- where appropriate, ensure stable employer contribution rates.
- reflect different employers' characteristics to set their contribution rates, using a transparent funding strategy.
- use reasonable measures to reduce the risk of an employer defaulting on its pension obligations.

The FSS sets out how the Administering Authority seeks to balance the conflicting aims of securing the solvency of the Fund and keeping employer contributions stable. For employers whose covenant was considered by the Administering Authority to be sufficiently strong, contributions have been stabilised to have a sufficiently high likelihood of achieving the funding target over 20 years. Asset-liability modelling has been carried out which demonstrate that if these contribution rates are paid and future contribution changes are constrained as set out in the FSS, there is at least a 75% likelihood that the Fund will achieve the funding target over 20 years.

Funding Position as at the last formal funding valuation

The most recent actuarial valuation carried out under Regulation 62 of the Local Government Pension Scheme Regulations 2013 was as at 31 March 2022. This valuation revealed that the Fund's assets, which at 31 March 2022 were valued at £3,756 million, were sufficient to meet 107% of the liabilities (i.e. the present value of promised retirement benefits) accrued up to that date. The resulting surplus at the 2022 valuation was £235 million.

Each employer had contribution requirements set at the valuation, with the aim of achieving their funding target within a time horizon and likelihood measure as per the FSS. Individual employers' contributions for the period 1 April 2023 to 31 March 2026 were set in accordance with the Fund's funding policy as set out in its FSS.

Principal Actuarial Assumptions and Method used to value the liabilities

Full details of the methods and assumptions used are described in the 2022 valuation report.

Method

The liabilities were assessed using an accrued benefits method which takes into account pensionable membership up to the valuation date; and makes an allowance for expected future salary growth to retirement or expected earlier date of leaving pensionable membership.

Assumptions

A market-related approach was taken to valuing the liabilities, for consistency with the valuation of the Fund assets at their market value.

The key financial assumptions adopted for the 2022 valuation were as follows:

Financial assumptions	31 March 2022
Discount rate	3.7%
Salary increase assumption	3.7%
Benefit increase assumption (CPI)	2.7%

The key demographic assumption was the allowance made for longevity. The life expectancy assumptions are based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of 1.50% p.a. Based on these assumptions, the average future life expectancies at age 65 are as follows:

	Males	Females
Current Pensioners	22.0 years	24.6 years
Future Pensioners*	22.7 years	26.2 years

*Aged 45 at 2022 Valuation

Copies of the 2022 valuation report and Funding Strategy Statement are available on the Suffolk Pension Fund website (www.suffolkpensionfund.org)

Experience over the period since 31 March 2022

Markets were disrupted by the ongoing war in Ukraine and inflationary pressures in 2022 and 2023, impacting on investment returns achieved by the Fund's assets. Asset performance improved in 2024 and early 2025; however the recent increase in US tariffs on imports has caused significant market volatility. The peak of this market volatility was experienced immediately after 31 March 2025, however, generally lower than expected asset returns were experienced in the month immediately prior to this.

High levels of inflation in the UK (compared to recent experience) have resulted in higher than expected LGPS benefit increases of 10.1% in April 2023 and 6.7% in April 2024. However, inflation has reduced towards

historical levels and the Bank of England's target (2% pa), with LGPS benefits increasing by 1.7% in April 2025.

There has been a significant shift in the wider economic environment since 2022, resulting in generally higher expected future investment returns and a reduction in the value placed on the Fund's liabilities. Overall, the funding position is stronger than at the previous formal valuation at 31 March 2022.

The next actuarial valuation will be carried out as at 31 March 2025. The Funding Strategy Statement will also be reviewed at that time and a revised version will come into effect from 1 April 2026.



Craig Alexander FFA
For and on behalf of Hymans Robertson LLP
16 May 2025



Blakeney, Norfolk



ACCESS ANNUAL REPORT 2024/25



Foreword

At the first meeting after the end of 2024/25, and in accordance with the ACCESS Inter-Authority Agreement, elections were held for the positions of Chairman and Vice-Chairman of the ACCESS Joint Committee. I am honoured to have been elected as Chairman and delighted that one of our longstanding Members, Cllr Gerard Fox from the East Sussex Pension Fund, is now the Vice-Chairman.

Of course, this Annual Report covers a year of activity in which my predecessor, Cllr Mark Kemp-Gee (Hampshire), was Chairman. In more than five years in the role, during which time I was Vice-Chairman, he led the Committee through the expansion of our pool's listed and non-listed asset offerings, the implications of the COVID pandemic and more recently the Government consultation on LGPS: Fit for the future. I would therefore like to place on record the thanks and appreciation of the Joint Committee for all of Cllr Kemp-Gee's leadership and work. We are all also grateful that Cllr Kemp-Gee will continue to represent Hampshire on the Committee and know that we will benefit from his experience and insight in the coming months.

The pooling landscape that first started to take shape in 2016 did not specify a particular model. The pool structure ACCESS chose to create continued the market sourced approach our Authorities have always adopted, and although some other pools took different pathways, we were not alone in the model adopted. 2024/25 has been dominated by the Government's Pension Review and the implications for LGPS pools. Following last September's Call for Evidence, the Consultation entitled LGPS: Fit for the future was launched after Chancellor's November Mansion House speech. This developed original Government thinking and consolidated the notion of "one model" for all pools. Against a March 2026 deadline for pools to be built around

an FCA regulated investment management company, options included merger and, for those with models such as ACCESS, building an FCA company.

In order to comply with the expectations of LGPS Fit for the future ACCESS launched Project Castle initiating an intense period of dialogue, engagement and analysis.

The result was a detailed assessment of options culminating in a 60-page, 18,000 word submission to Ministers in late February, setting out the rationale for why the most effective course of action for our pool was to build our own FCA investment management company. As will be widely known, shortly after the end of 2024/25, in early April, we were extremely disappointed when Ministers indicated that they had chosen not to support ACCESS's proposal. At the time of writing the Joint Committee, ACCESS Authorities and the ACCESS Support Unit continue to work through the implications of that decision.

In closing I would like to thank my fellow ten Joint Committee members, each representing their respective Authorities, along with the Officers who support them, and the ACCESS Support Unit (ASU)

Cllr Susan Barker
Chairman of the ACCESS Joint Committee
Chairman of the Hampshire Pension Fund Panel & Board

Introduction

It is important to highlight that there were many activities and workstreams which came to fruition during the year which included the following achievements and successes:

- further expansions to product offerings, particularly within the non-listed space, meant that pooled assets rose to £49bn, representing 74% of all AUM across the 11 ACCESS Authorities;**
- the re-appointment of Waystone as ACS operator following a detailed procurement process;**
- the conclusion of the Governance Review;**
- independent cost analysis by Clearglass indicated that ACCESS had saved £49m (18bps) in investment management fees and risen to the 7th percentile in the data universe curated by Dr Chris Sier; and**
- in collaboration with our responsible investment advisor PIRC, ACCESS was successful in gaining formal recognition as a signatory to the UK Stewardship Code for the first time.**

Of course, 2024/25 will be remembered for a new Government returning to a familiar agenda in its Pensions Review. A Call for Evidence and the LGPS: Fit for the future consultation were punctuated with Ministerial engagement and quick turnaround information requests from Civil Servants.

In previous years' consultations ACCESS had highlighted the fact that, at the outset, a defined pooling model was not specified. However, in the Autumn of 2024 it was clear that the direction of travel had been set, and our Project Castle objective has always been about how to implement LGPS: Fit for the future's expectations whilst preserving value and avoiding unnecessary cost. Kevin McDonald Director, ACCESS Support Unit In meeting this challenge head on, we explored

merger with colleagues from both Border to Coast and Local Pension Partnership, and, in partnership with Alpha FMC as well as our longstanding advisers, researched the basis of building our own FCA investment management company.

Together with Administering Authorities we analysed the evidence, assessed the assumptions and considered the options against a range of criteria. We used data from independent and third-party sources and challenged ourselves not to underestimate the extent of the work any option entailed. Each had merit, however, overall, it made the most sense for ACCESS to build. The strapline to our proposal to Government was "Ready for change".

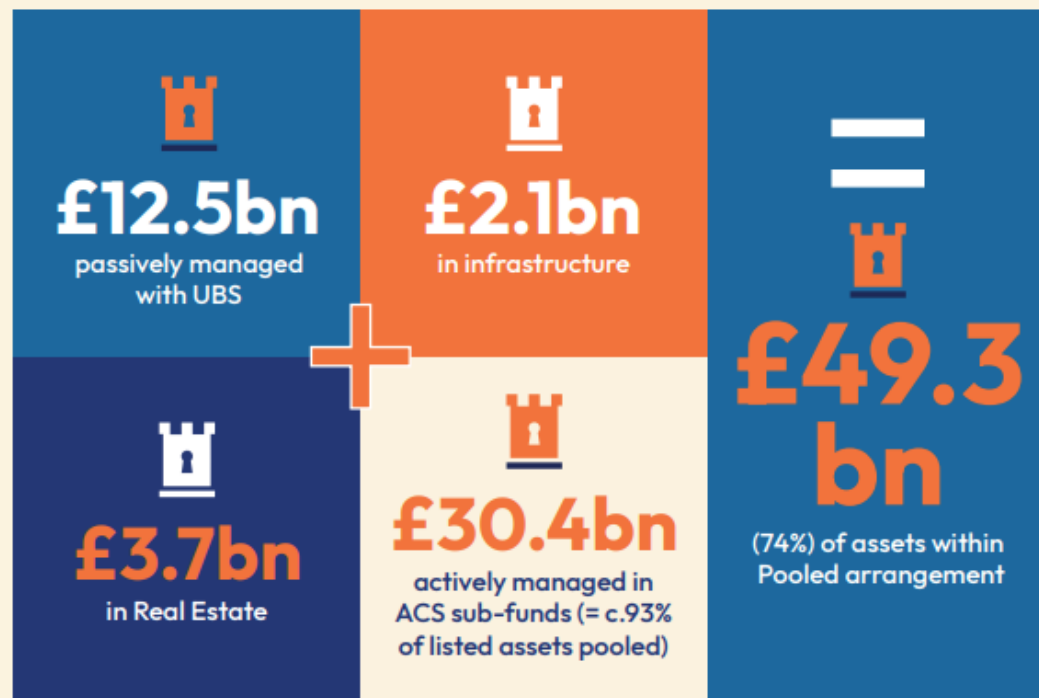
It was therefore with a profound sense of disappointment that shortly after our year-end date, we learned that Ministers had chosen not to support the approach adopted by the 11 ACCESS Authorities. Although the Government's ambition of reducing the number of LGPS investments pools from 8 to 6 is now clear, at the time of writing there remains a significant number of questions for which we do not yet have answers.

It is apparent that the LGPS will need to embark on yet further change, but this is a sector with a strong track record in collaboration and achievement. I am confident that with an evidence-based approach, properly advised, practitioners can plan effectively in sight of known risks. To make a success of the next chapter in LGPS pooling, what is paramount is that the sector is not burdened with an imposed rush to conclude but rather afforded the space to implement. I would like to thank my ASU colleagues, the technical leads and the officers of the Authorities for their enthusiasm, support and hard work in what continue to be exceptional circumstances.

Kevin McDonald
Director, ACCESS Support Unit

At a glance

Assets



People and employers



Performance



Costs & savings since inception



Background

ACCESS (A Collaboration of Central, Eastern and Southern Shires) is made up of eleven Local Government Pension Schemes (LGPS) Administering Authorities: Cambridgeshire County Council; East Sussex County Council; Essex County Council; Hampshire County Council; Hertfordshire County Council; Isle of Wight Council; Kent County Council; Norfolk County Council; Northamptonshire County Council (West Northamptonshire from 1 April 2021); Suffolk County Council and West Sussex County Council.

Strategic oversight and scrutiny responsibilities remain with the Administering Authorities as does all decision making on their individual Funds asset allocation and the timing of transfers of assets from each Fund into the arrangements developed by the ACCESS Pool.

The Joint Committee (JC) has been appointed by the eleven Administering Authorities under s102 of the Local Government Act 1972, to exercise specific functions in relation to the pooling of LGPS assets. The Section 151 Officers of ACCESS Authorities provide advice to the Joint Committee which is further supported by the Officer Working Group (OWG) and the ACCESS Support Unit (ASU).

Re-appointed in early 2025, Waystone, provide the pooled operator service, overseeing an Authorised Contractual scheme for the sole use of ACCESS Authorities. UBS act as the ACCESS Authorities’ investment manager for passive assets. JP Morgan and IFM were approved in 2024 to provide open ended infrastructure investments to the Pool. Aviva were appointed in 2024 to provide long lease real estate investments and CBRE have been appointed to provide UK and Global Property investments. JP Morgan and Stafford Capital were appointed during 2025 to provide investment in Timberland along with Arcmont and Golub for Private Debt investment.

Progress on Pooling


ACCESS submitted its pooling proposal to Government in July 2016 with detailed plans for establishing and moving assets into the pool. Included in the proposal was an indicative timeline of when assets will be pooled, and ACCESS has continued to make excellent progress against the principal milestone of having **£30.6 billion** assets pooled and estimated savings of **£21.0 million** by March 2027 exceeding the assets pooled by **£18.7 billion** and the savings by **£14 million**. As at 31 March 2025, **74%** of assets have been pooled:

Pooled Investments	£ Billions
Global Equity Funds	16.539
UK Equity Funds	1.583
Fixed Income	10.133
Diversified Growth	0.935
Emerging Markets	1.221
Passive Investments	12.513
Infrastructure	2.128
Real Estate	3.721
Timberlands	0.562
Total Pooled Investments	49.335

Expected v Actual Costs and Savings

The table below summarises the financial position for 2024/25 along with the cumulative position since the commencement of ACCESS activity in early 2016.

A budget for ongoing operational costs is set by the Joint Committee and is financed equally by each of the eleven Authorities. 2024/25 saw a slight overspend, primarily due to higher than anticipated costs of external advice and additional work required in response to the Governments Fit for the Future consultation and new pooling requirements.

	2024-2025		2016-2025	
	Actual In Year £' Million	Budget In Year £' Million	Actual Cumulative to date £' Million	Budget Cumulative to date £' Million
Set Up Costs	-	-	1.824	1.400
Transition Costs	-	-	3.338	6.907
Ongoing Operational Costs	1.617	1.314	8.517	10.568
Operator & Depositary Costs	5.791	6.082	28.183	32.791
Total Costs	7.408	7.396	41.862	51.666
Pool Fee Savings	35.394	21.400	165.133	106.850
Net Savings Realised	27.986	14.004	123.271	55.184

Operator and depositary fees are payable by each Authority in relation to assets invested within the Authorised Contractual Scheme established by Waystone as pool operator.

The 2024/25 fee savings have been calculated using the CIPFA price variance methodology and based on the average asset values over the year. This approach highlights the combined level of investment fee savings, across all ACCESS Authorities stemming from reduced charges.

In summary, since inception ACCESS has demonstrated excellent value for money, maintaining expenditure broadly in line with the MHCLG submission whilst delivering an enhanced level of savings ahead of the timeline contained in the original proposal.



Hampshire

Environmental, Social and Governance (ESG) and Responsible Investment (RI)

The ACCESS Authorities believe in making long term sustainable investments whilst integrating environmental and social risk considerations, promoting good governance and stewardship.

Whilst the participating authorities have an overriding fiduciary and public law duty to act in the best long-term interests of their LGPS stakeholders to achieve the best possible financial returns, with an appropriate level of risk they also recognise the importance of committing to responsible investment alongside financial factors in the investment decision making process.

ACCESS is committed to expanding its ESG and responsible investment oversight, reviewing its own ESG/RI guidelines to reflect both the requirements of the Authorities and the expectations associated with this fundamental aspect of institutional investment.

It has been a year of continual development, with ACCESS submitting and being approved as a signatory to the UK Stewardship code and publishing its first responsible investment and stewardship report.

The ACCESS pool has a set of voting guidelines which seeks to protect and enhance the value of its shareholdings by promoting good practice in the corporate governance and management of those companies.

The voting guidelines sets out the principles of good corporate governance and the means by which ACCESS will seek to exercise its influence on companies. During the year ACCESS voted at **2,439** meetings on **37,473** resolutions and UBS voted at **10,848** meetings on **126,989** resolutions on ACCESS investments held with them.



Cllr Susan Barker

Chairman of the ACCESS Joint Committee

Chairman of the Essex Pension Fund Strategy Board



Digswell Viaduct - Hertfordshire

Statement of Responsibilities for the Pension Fund Accounts

The Council's Responsibilities

The Council is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Council, during 2023-24 that officer was the Chief Financial Officer;
- to manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets; and
- to approve the statement of accounts

Certification

I confirm that these Accounts were approved by the Audit Committee at its meeting on 27 November 2025 on behalf of Suffolk County Council and have been authorised for issue.

Councillor J Spicer
Chairman
November 2025

The Responsibilities of the Chief Financial Officer (Section 151 Officer)

The Chief Financial Officer is responsible for the preparation of the Council's Statements of Accounts including those of the Pension Fund. In order to comply with the Code of Practice on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), these statements must present a true and fair view of the financial position of the Pension Fund at 31 March 2025, and the income and expenditure (spending) for the year to that date.

In preparing this Statement of Accounts, the Chief Financial Officer has:

- chosen suitable accounting policies and applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- followed the Code of Practice on Local Authority Accounting.

The Chief Financial Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps to prevent and detect fraud and other irregularities.

Certification

I certify that this statement of accounts has been prepared in accordance with proper accounting practices and presents a true and fair view of the Pension Fund at 31 March 2025 and its income and expenditure for the year to that date.

Louise Aynsley

Chief Financial Officer (Section 151 Officer)

Fund Account

2023 - 2024 £ million	Fund Account		2024 - 2025 £ million
	Dealing with members, employers and others directly involved in the scheme	Notes	
	Contributions and benefits		
	Contributions receivable:		
	From employers		
103.626	Normal	10	108.520
0.049	Additional	10	0.039
1.064	Other	10	2.766
	From members		
31.263	Normal	10	33.295
	Transfers In		
10.827	Individual transfers in from other schemes		11.933
-	Group transfers in from other schemes		0.000
	Benefits payable:		
-105.625	Pensions	10	-116.134
-19.331	Commutations of pensions and lump sum retirement benefits	10	-23.474
-2.128	Lump sum death benefits	10	-2.711
	Payments to and on account of leavers:		
-0.511	Refunds of Contributions		-0.549
0.000	Exit Credit	10	-2.399
-9.112	Individual transfers out to other schemes		-13.871
-0.083	Group Transfers out to other Schemes		0.000
10.039	Net additions (withdrawals) from dealings with members		-2.585
-14.613	Management Expenses	11	-15.618
-4.574	Net additions (withdrawals) including management expenses		-18.203
	Returns on investments		
	Investment income		
11.840	Income from Pooled Investment Vehicles - Property		12.388
1.294	Income from Pooled Investment Vehicles - Private Equity		1.365
97.085	Income from Other Pooled Investment Vehicles		108.905
0.911	Interest on Cash Deposits		1.191
0.000	Other		0.000
387.368	Change in market value of investments		112.352
498.498	Net returns on investments		236.201
493.924	Net increase, or (decrease), in the fund during the year		217.998
3,758.873	Opening net assets of the scheme		4,252.797
4,252.797	Closing net assets of the scheme		4,470.795



St Edmundsbury Cathedral

Net Asset Statement

2023 - 2024 £ million			2024 - 2025 £ million
Net Asset Statement		Notes	
Investment Assets			
Pooled Investment Vehicles			
972.817	Equities	13, 14	1,042.046
990.220	Fixed Income	13, 14	1,242.291
1,174.540	Index Tracking	13, 14	1,038.361
306.180	Property Unit Trust	13, 14	388.770
793.963	Other Managed Funds	13, 14	736.716
4,237.720	Total Pooled Investment Vehicles		4,448.184
Other Investment Balance			
3.570	Cash [held for investment]	13	22.981
3.570	Total Other Investment Balance		22.981
Investment Liabilities			
0.000	Purchases awaiting settlement	13	-8.422
0.000	Total Investment Liabilities		-8.422
4,241.290	Total Investments		4,462.743
Current Assets			
12.033	Debtors	22	13.250
7.308	Cash Deposits	19d	3.598
0.000	Cash at Bank	19d	0.042
19.341	Total Current Assets		16.890
Current Liabilities			
-1.319	Cash at Bank	19d	0.000
-6.515	Creditors	23	-8.838
-7.834	Total Current Liabilities		-8.838
11.507	Net Current Assets		8.052
4,252.797	Net Assets		4,470.795



Protestant Martyrs Memorial, Bury St Edmunds

Notes to the Accounts

1. Description of the Fund

The Suffolk Pension Fund is administered by Suffolk County Council. It is a contributory defined benefit scheme established by the Superannuation Act 1972 and governed by the Public Service Pensions Act 2013.

The Fund is administered in accordance with the following secondary legislation:

- The Local Government Pensions Scheme Regulations 2013 (as amended)
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended).

The Fund provides retirement benefits for employees who are members of the Local Government Pension Scheme (LGPS).

Organisations participating in the Suffolk County Council Pension Fund include:

- Scheduled bodies - local authorities, district and borough councils and other similar bodies such as academies whose staff are automatically entitled to be members of the Fund
- Admitted bodies - voluntary and charitable bodies or private contractors undertaking a local authority function
- Resolution bodies - town and parish councils who formally pass a resolution designating staff to be eligible to join the LGPS.

There are 344 employer organisations with active members within the Scheme as at 31 March 2025, a decrease of 4 from the previous year total of 348. Teachers, Firefighters and NHS staff have their own pension schemes and are not included in the Fund.

The Fund has the following number of members and pensioners:

31 March 2024		31 March 2025
Number of Employees in the Scheme		
7,617	County Council	8,282
15,076	Other Employers	15,570
22,693	Total	23,852
Number of Pensioners		
10,611	County Council	11,035
9,444	Other Employers	10,086
20,055	Total	21,121
Number of Deferred Members		
14,494	County Council	13,730
16,271	Other Employers	15,902
30,765	Total	29,632

Funding

Benefits are funded by contributions and investment earnings. Employers' contributions are set based on the triennial actuarial funding valuation in March 2022 for the contributions paid in 2024–2025. Employees contributions are paid in line with the LGPS Regulations 2013.

Benefits

Prior to 1 April 2014 pension benefits are based on final pensionable pay and length of service. From 1 April 2014, the scheme became a career average scheme with members accruing benefits based on their current annual pensionable pay at an accrual rate of 1/49th.

2. Events after the Balance Sheet Date

There has been no event between 31 March 2025 and the date when these accounts were authorised for issue that requires any adjustments to these accounts.

On 9 April 2025, the Suffolk Pension Fund was informed by letter from Torsten Bell MP (Minister for Pensions) and Jim McMahon MP (Minister for Local Government) that the ACCESS Asset Pool's proposal in response to the Government's Fit for the Future consultation was not approved and consequently it has been prescribed, that the Suffolk Pension Fund has to join another asset pool.

The Suffolk Pension Fund will be required, by 30 September 2025, to submit an in-principle decision on the LGPS Asset Pool that the Fund will transition to in the future

3. Significant Changes to the Fund

As part of its annual asset allocation review, the Committee at its meeting on 31 March 2024, agreed to diversify its equity holdings within the ACCESS Pool, this resulted in the following asset allocation changes:

- * Reduce Newton from 12% to 5%
- * Reduce Blackrock from 8% to 5%
- * Reduce UBS Group Low Carbon Fund from 7.5% to 7%
- * Increase Columbia Threadneedle from 1.0% to 1.5%
- * Invest 5% with Baillie Gifford
- * Invest 5% with Longview

The Pension Fund Committee made a decision at the same meeting to disinvest the 4% asset allocation to 5-year gilts, held with UBS Group and invest this into a sterling investment grade credit fund operated by Fidelity within the ACCESS Pool.

These asset allocations were implemented during the financial year in three tranches, June, September and November.

The Pension Fund Committee made a decision to formally appoint CBRE as the Fund's property investment manager at its meeting on 3 June 2024 replacing Schroders. CBRE were appointed to provide UK and Global Property by APEX on behalf of the ACCESS Pool.

The Committee allocated 8% to UK Property and 4% to Global Property this is funded from the 10% allocation to Schroders and a reduction of 2% from UBS Group Climate Aware Fund.

The transition of the UK property held with Schroders to CBRE was implemented on 1 October 2024, the global property investments will happen over time as investment opportunities are identified by CBRE.

The Pension Fund Committee made a decision on 29 November 2024 to allocate 2% of the Fund to the Timberlands asset class, 1% to JP Morgan and 1% to Stafford international. These will be invested over time as investment opportunities are identified by the respective investment managers. These will be funded by reducing M&G and Janus Henderson fixed income investments by 1% each.

Suffolk Pension Fund has £4.001 billion invested within the ACCESS Pool, (£3.361 billion, 31 March 2024), which represents 90% of the Fund's investment assets (79%, 31 March 2024)



Orwell Bridge (Sunset)

4. Basis of Preparation of Pension Fund Accounts

The Statement of Accounts summarises the Fund's transactions for the 2024-2025 financial year and its position as at 31 March 2025.

These accounts have been prepared in accordance with the 'Code of Practice on Local Authority Accounting in United Kingdom 2024 - 2025', which is based upon International Financial Reporting Standards (IFRS).

The accounts do not take into account obligations to pay pensions and benefits which fall due after the end of the financial year. The actuarial present value of promised retirement benefits, valued on an International Accounting Standard (IAS 26) basis, is disclosed in Note 21 of these accounts.

5. Going Concern Statement

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024 - 2025 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on a going concern basis.

In carrying out its assessment that this basis is appropriate, made to 31 December 2025, management of the Pension Fund have considered the additional qualitative and quantitative key requirements:

The basis for preparation is supported by legislation for local authorities, and the Code requirements on the basis of the continuation of services.

In line with Regulation 62 of the Local Government Pension Scheme Regulations 2013, the Fund's actuary carried out an interim valuation during 2024 - 2025. The Fund's assets were valued at £4.460 billion, with liabilities of £2.770 billion. This has been calculated based on the membership and financial assumptions set for the valuation exercise carried out as at 31 March 2022.

During the March 2022 valuation exercise, the funding level was 107%. The improved funding position resulted in many Employers paying lower contribution rates from 1 April 2023, which will reduce the income from contributions for the following 3 years. All employers within the fund are paying contributions as per the rates and adjustment certificate.

The Fund is cashflow negative by £3.000 million and forecast to be cashflow negative at £6.000 million for 2025 - 2026, meaning that the benefits amount paid out, exceed contributions received from the employers and members of the scheme. The deficit is met through investment income and the return of capital from mature investments.

The Pension Fund has not utilised any borrowing during the 2024 - 2025 financial year or within the 2025 - 2026 financial year to date.

The Pension Fund has an allocation of 42.5% to equities, 28% to Bonds and 0.5% to cash, which are assets that could be liquidated to pay benefits should the need arise.

On this basis, the Pension Fund have a reasonable expectation that it will have adequate resources to continue in operational existence throughout the going concern period. For this reason, alongside the statutory guidance, the Fund continues to adopt the going concern basis in preparing these financial statements.



Memorial to 94th Bombardment Group, Bury St. Edmunds

6. Summary of Significant Accounting Policies

6.1 Fund Account - Revenue Recognition

Contribution Income

Normal contributions from members and employers are accounted for on an accruals basis at the percentage rate recommended by the actuary in the payroll period to which they relate.

Employers' secondary rate contributions are accounted for on the due dates on which they are payable under the schedule of contributions set by the scheme actuary.

Employers' augmentation and pension strain contributions are accounted for in the period in which the liability arises. Any amount due in year but unpaid will be classed as a current financial asset.

Transfers to and from Other Schemes

Transfer values represent the amounts received and paid during the year for members who have either joined or left the Fund during the financial year and are calculated in accordance with the LGPS Regulations.

Individual transfers in/out of the scheme are accounted for when they have been received/paid, which is when the member's liability is accepted or discharged.

Transfers in from members wishing to use the proceeds of their additional voluntary contributions to purchase scheme benefits are accounted for on a receipts basis and are included within transfers in.

Group transfers are accounted for in accordance with the terms of the transfer agreement.

Investment Income

Investment income may include withholding tax which is disclosed as a separate item (taxes on income) on the face of the Fund Account. Investment income arising from the underlying investments of Pooled Investment Vehicles is reinvested in the vehicle and reflected in the unit price.

Dividend income is recognised on the date the shares are quoted ex-dividend. Any amount not received by the end of the reporting period is disclosed in the Net Asset Statement as a current financial asset.

Income from cash and other investments are accounted for on an accrual's basis.

Distributions from pooled funds are recognised at the date of issue and any amount not received by the end of the reporting period is disclosed in the Net Asset Statement as a current financial asset.

Movement in the Market Value of Investments

Movement in the net market value of investments is recognised as a realised unrealised, gain or loss, during the year.



Ship from Languard fort, Felixstowe

6.2 Fund Account - Expenditure

Benefits Payable

Pensions and lump sum benefits payable include all amounts known to be due as at the end of the financial year. Any amounts due but unpaid are disclosed in the Net Asset Statement as a current financial liability.

Taxation

The Fund is a registered public service pension scheme under section 1(1) of Schedule 36 of the Finance Act 2004 and is exempt from UK income tax on interest received and capital gains tax on proceeds of investments sold.

Income from overseas investments is subject to withholding tax in the country of origin, unless exemption is permitted. Irrecoverable tax is accounted for as a fund expense.

Management Expenses

All management expenses are accounted for on an accrual's basis.

i) Administration Expenses and Oversight and Governance Expenses

Suffolk County Council staff costs are charged to the Pension Fund based on time spent. Accommodation and other overhead costs have also been apportioned.

ii) Investment Management Expenses

Investment management fees and performance fees are agreed in the respective mandates governing their appointment. These fees are based on the market value of the investments under management and therefore increase or decrease as the value of the investments change.

Transaction costs and custody fees are included in investment management expenses.

6.3 Net Asset Statement

Financial Assets

Financial assets are included in the Net Asset Statement on a fair value basis as at the reporting date. A financial asset is recognised on the date the Fund becomes party to the contractual acquisition of the asset. Any gains or losses arising from changes in the fair value from this date are recognised by the Fund.

The value of investments has been determined as follows:

Market Quoted Investments

Managed Funds are valued using the bid market price on 31 March 2025.

Property

Property is valued using the latest available Net Asset Value (NAV) or where a NAV is not available, assumptions based on the probable realisation value.

Unquoted Pooled Investment Vehicles

Unquoted Securities include pooled investments in Infrastructure, Illiquid Debt, Private Equity and Timberlands. Market quotations are not readily available. The value is based on the Fund's share of the net asset using the latest financial statements received from the respective fund manager and adjusted for capital calls and distributions received from that date to 31 March 2025.

Quoted Pooled Investment Vehicles

Pooled Investment Vehicles are valued at the closing bid price or at the closing single price, as available. The change in market value of accumulation funds includes income which is reinvested in the Fund net of applicable withholding tax.

Foreign Currency Transactions

Investments and cash held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate as at 31 March 2025.

Derivatives

Derivative financial instruments are used to manage exposure to specific risks arising from investment activities and are not held for speculative purposes. Derivative contract assets are valued at bid price and liabilities are valued at offer price. Changes in the fair value are included in the change in market value.

Forward Foreign Exchange Contracts outstanding at the year-end are stated at fair value, which is determined as the loss or gain that would arise if the outstanding contract was required to be settled on 31 March 2025.

Cash and Cash Equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment purposes. Bank balances and cash held by the Pension Fund at 31 March 2025 are therefore cash equivalent sums. For short term investments there are no strict criteria to follow relating to the nature and maturity of these items.

The Pension Fund holds short term investments in Money Market Funds for the purpose of obtaining a gain or return.

Events after the Balance Sheet date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Pension Fund Accounts are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Pension Fund Accounts are adjusted to reflect such events.

- those that are indicative of conditions that arose after the reporting period – the Pension Fund Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Pension Fund Accounts.

Additional Voluntary Contributions

The Pension Fund provides an additional voluntary contributions (AVC) scheme for its members, the assets of which are invested separately from those of the Pension Fund. AVC's are paid to the AVC provider by employers and are specifically for providing additional benefits for individual contributors. Each contributor receives an annual statement showing the amount held in their account and the movements in the year.

AVC's are not included in the accounts in accordance with Section 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (SI 2009/3093) but are disclosed as a note.

Actuarial Present Value of Promised Retirement Benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS 19 and relevant actuarial codes.

As permitted under IAS 26, the Fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the Net Asset Statement.

7. Accounting Standards Issued, Not Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom 2024 – 2025 requires the disclosure of information relating to the expected impact of changes that will be required by a new standard that has been introduced but not yet adopted and applies to the adoption of the following disclosures as amended in the 2025 - 2026 code.

IFRS 16 – Leases.

IAS 8 - Definition of accounting estimates.

IAS 1 - Classification of current and non-current liabilities.

IAS 12 - Deferred tax.

IFRS 7/ IAS 7 - Supplier finance arrangements.

The code requires implementation of the above disclosure from 1 April 2024. These changes are not considered to have a material effect on the Pension Fund accounts of 2024 - 2025.

8. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 6, the Pension Fund has to make certain judgements about complex transactions or those involving uncertainty about future events. The main critical judgement that the Pension Fund must consider is the Pension Fund actuarial liability.

The Pension Fund liability is calculated every three years by the appointed actuary, with annual updates in the intervening years. The methodology used is in line with accepted guidelines. Assumptions underpinning the valuations are agreed with the actuary and are summarised in Note 20 Funding Position. This estimate is subject to significant variances based on changes to the underlying assumptions.

The methodology used in calculating the Pension Fund's liability, in conjunction with the Fund's investment strategy means that the surplus or

deficit can vary significantly over short periods of time, whilst the underlying funding strategy is based on a much longer timeline that smooths out the effects of extreme market volatility.

9. Assumptions made about the Future and other Sources of Estimation Uncertainty

The Pension Fund Accounts contain estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that actual outcomes could differ from those estimates and there is a risk that these investments may be under or overstated in the accounts. An analysis of the potential market movement range for these holdings is set out in Note 18e.

The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Actuarial Present Value of Promised Retirement Benefits

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on Pension Fund assets. A firm of consulting actuaries, Hymans Robertson LLP are engaged to provide the Fund with expert advice about the assumptions to be applied.

Property

Pooled property investment vehicles are valued at closing bid prices if both bid and offer prices are published; or if single priced, at the closing single price. Pooled property funds have derived underlying assets that have been valued by independent external valuers on a fair value basis and in accordance with the Royal Institute of Chartered Surveyors' Valuation Standards (9th Edition).

The property investment held with CBRE at 31 March 2025 is £388.770 million.

Private Equity

Private Equity investments are valued at fair value in accordance with IFRS and British Venture Capital Association guidelines. Both Pantheon and Wilshire have established procedures to report fair value on a consistent, transparent and prudent basis. These investments are illiquid and are not publicly listed and as such there is a high degree of estimation involved in the valuation.

The unquoted Private Equity investments at 31 March 2025 are £99.208 million with Pantheon and £3.600 million with Wilshire.

Infrastructure

Infrastructure investments are valued through a fair market value process designed in accordance with IFRS. These investments are not publicly listed and as such there is a high degree of estimation involved in the valuation.

The Infrastructure investments held with Partners, M&G, KKR and JP Morgan at 31 March 2025 are £45.917 million, £52.975 million, £65.094 and £270.110 million respectively.

Illiquid Debt

Illiquid Debt is valued by a valuation agent who will use an independent pricing source to value most loans at market value or a probable realisation valuation method if market quotations are not readily available. These investments are not publicly listed and as such there is a degree of estimation involved in the valuation.

Illiquid Debt is held with M&G and includes the Debt Opportunity investments, the Illiquid Credit Opportunity Fund and the Debt Solutions Fund totalling £20.725 million and Multi Asset Credit Fund's held with Partners Group valued at £105.628 million as at 31 March 2025.

Timber

The Timber investment is a limited liability partnership investment in large-scale high-quality timber assets. The fair value is determined on at least an annual basis with a valuation review performed on a quarterly basis to assess whether there is evidence of a significant change in the investment fundamentals that warrant a change in the fair value. The manager may utilise independent valuations to confirm the reasonableness of internally prepared valuations.

Fair values for Timber is based on comparable purchase and sale transactions, or other accepted valuation techniques that include the discounted cash flow and multiple of earnings approach. Separate appraisals for timber are obtained from independent qualified appraisers at least once every three years or more frequently as required.

The Timber investment at 31 March 2025 is £0.037 million with Brookfield and £15.775 million with JP Morgan.



Henry Moore sculpture, Snape Maltings

10. Contributions Received and Benefits Paid during the Year

2023 - 2024				2024 - 2025		
Employers' Contributions	Employees' Contributions	Benefits Paid		Employers' Contributions	Employees' Contributions	Benefits Paid
£ million	£ million	£ million		£ million	£ million	£ million
37.373	12.562	-58.662	Suffolk County Council	39.565	13.200	-63.992
65.533	18.018	-61.096	Other Scheduled and Resolution Bodies	69.877	19.571	-69.907
1.833	0.683	-7.326	Admitted Bodies	1.883	0.524	-8.420
104.739	31.263	-127.084	Total	111.325	33.295	-142.319

Employer contributions are the ongoing contributions paid into the scheme by the employers in accordance with the rates and adjustments certificate provided by the actuary, which sets out the contribution rates for all the employers in the Fund.

Employer contributions are made up of two elements:

- The primary rate which is the level sufficient to cover all new benefits
- The secondary rate which are the costs associated with sufficiently funding benefits accrued up to the valuation date.

Included within the employer normal contributions of £108.520 million shown in the Fund account, is an amount of £1.660 million which represents the secondary rate paid within the employers' percentage (£1.748 million in 2023 - 2024).

The additional employer contribution identified separately on the Fund account of £0.039 million, (£0.049 million in 2023 - 2024), refers to those employers funding their secondary rate by means of lump sum payments.

Included in the Fund Account is an exit credit amount of £2.399 million for Havebury Housing, who left the scheme, this has been made under Regulation 74,75 and 15 (3) and 64 of the Local Government Pension Scheme (administration) Regulations 2008/2018.

The Fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contribution rates for the next three-year

period. 2024-2025 was the second year in the three-year period following the 31 March 2022 valuation.

A list of employers and their contribution rates is available on the Suffolk Pension Fund website at www.suffolkpensionfund.org.

11. Management Expenses

2023 - 2024 £ million	2024 - 2025 £ million
12.253 Investment Management Expenses	12.723
1.669 Administration Expenses	2.010
0.692 Oversight and Governance Costs	0.885
<u>14.613</u>	<u>15.618</u>

Management expenses are categorised into investment management expenses, administration expenses and oversight and governance costs in accordance with the CIPFA guidance to Accounting for Local Government Pension Scheme Management Costs.

Administration Expenses includes costs associated with members, pensioners and scheme employers. This would include all activities associated with pension administration - staff costs, IT, membership fees and subscriptions.

Oversight and Governance Costs includes costs incurred in the monitoring of investments, investment advisory services, independent advisors, support to the Pension Fund Committee and Pension Board, costs associated with the production of statutory and non-statutory reporting, legal services, actuarial services, audit services and accountancy services.

External audit fees charged by Ernst & Young for 2024 - 2025 were £0.119 million, (£0.094 million 2023 - 2024). The external fee is subject to change, depending on additional charges which may be made by the external

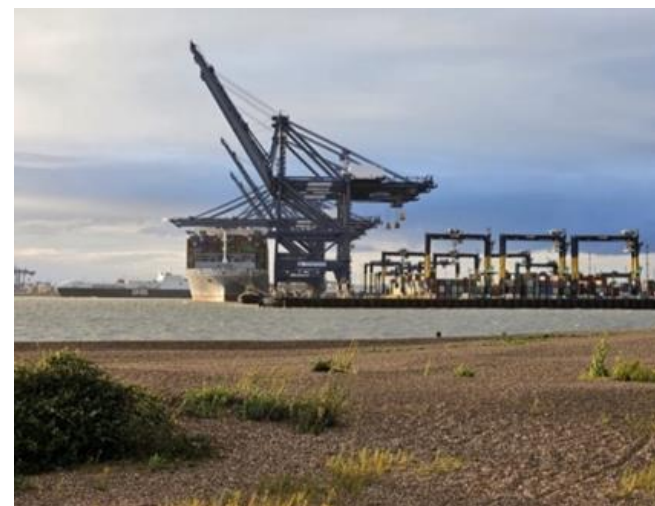
auditors on high-risk areas. £0.015 million has been accrued for additional work.

£0.013 million has been received from the Ministry of Housing, Communities and Local Government to support the implementation of the Redmond Review recommendations, to meet the anticipated rise in fees for the 2024 - 2025 audits driven by new audit requirements.

Investment management expenses include costs that are incurred in association with the management of the Pension Fund assets and financial instruments, whether directly invoiced to the fund or deducted from the fund assets. This includes management fees, performance fees and investment transaction costs as below.

2023 - 2024	Management Fees £ million	Performance Fees £ million	Transaction Costs £ million	Total £ million
Assets				
Pooled Investments				
Equities	0.184		0.066	0.250
Index Tracking	0.488			0.488
Fixed Income	0.159		0.432	0.591
Property	1.088			1.088
Absolute Returns	0.291			0.291
Private Equity	1.476	0.000		1.476
Infrastructure	3.689	0.651		4.340
Illiquid Debt	2.724	0.978		3.702
Money Market	-0.013			-0.013
Total Investment Expenses	10.086	1.629	0.498	12.213
Custody	0.040			0.040
Total Investment Management Expenses	10.126	1.629	0.498	12.253

2024 - 2025	Management Fees £ million	Performance Fees £ million	Transaction Costs £ million	Total £ million
Assets				
Pooled Investments				
Equities	0.236		0.855	1.091
Index Tracking	0.520			0.520
Fixed Income	0.214			0.214
Property	1.258			1.258
Absolute Returns	0.150			0.150
Private Equity	1.421			1.421
Infrastructure	3.215	0.735		3.950
Illiquid Debt	3.003	1.078		4.081
Total Investment Expenses	10.017	1.813	0.855	12.685
Custody	0.038			0.038
Total Investment Management Expenses	10.055	1.813	0.855	12.723



Cranes, Felixstowe Docks

12. Analysis of the Market Value of Investments by Investment Manager

31 March 2024		31 March 2025		
Market Value	Percentage of Assets	Market Value	Percentage of Assets	
£ million	%	£ million	%	
Investments managed within the ACCESS Pool				
1,963.037	46.30%	Waystone	2,284.336	51.36%
1,174.539	27.72%	UBS Group	1,038.361	23.34%
223.169	5.27%	JP Morgan	285.885	6.43%
-	0.00%	CBRE	392.296	8.82%
3,360.745	79.29%	Total within the ACCESS Pool	4,000.878	89.95%
Investments managed outside the ACCESS Pool				
0.041	0.00%	Brookfield Asset Management	0.037	0.00%
0.026	0.00%	Cambridge Research & Innovation Limited	-	0.00%
43.985	1.04%	Kohlberg, Kravis, Roberts	65.094	1.46%
97.458	2.30%	M&G Investments	73.700	1.66%
13.091	0.31%	Northern Trust	12.640	0.28%
161.771	3.82%	Pantheon Ventures	140.689	3.16%
165.149	3.90%	Partners Group	151.546	3.41%
69.580	1.64%	Pyrford International	-	0.00%
321.619	7.60%	Schroder Property Investment Management	-	0.00%
4.255	0.10%	Wilshire Associates	3.600	0.08%
876.975	20.71%	Total outside the ACCESS Pool	447.306	10.05%

Waystone are the Authorised Contractual Scheme operator of the ACCESS Pool. The UBS Group, CBRE and JP Morgan investments are managed within the ACCESS Pool on a pool governance basis.

The Northern Trust holding is the surplus cash invested in money market funds.

The Multi Asset Credit mandates with Partners Group, the Infrastructure mandate with Kohlberg, Kravis, Roberts, the Private Equity mandate with Pantheon Ventures Investments, and the Debt Solutions Fund and Infracapital Fund with M&G have been funded as investment opportunities are identified by the investment managers. These investments are funded from surplus cash and from the Pyrford International mandate.

The Debt Opportunity mandate with M&G, Private Equity with Wilshire and Infrastructure with Partners Group are mature investments that are returning funds as the investments are realised.

The mandates with Cambridge Research & Innovation Limited, Pyrford International and Schroder Property Investment Management were disinvested during the year.

13. Reconciliation of Movements in Investments and Derivatives

	Opening Market Value 31 March 2023 £ million	Purchases £ million	Sales £ million	Change in Market Value £ million	Closing Market Value 31 March 2024 £ million
Quoted					
Pooled Investment Vehicles:					
Equities	827.302	57.112	-60.066	148.469	972.817
Fixed Income	776.447	154.522	0.000	59.251	990.220
Unit linked insurance policies	1,006.746	25.000	-39.949	182.743	1,174.540
Other Managed Funds	215.664	291.217	-382.207	17.478	142.152
Unquoted					
Pooled Investment Vehicles:					
Other Managed Funds	618.757	64.819	-13.184	-18.581	651.811
Property	296.809	24.969	-4.038	-11.560	306.180
Total of Investments	3,741.725	617.639	-499.444	377.800	4,237.720
	Closing Market Value 31 March 2023 £ million	Movement in Cash Balance £ million	Impairment of Investments £ million	Change in Market Value £ million	Closing Market Value 31 March 2024 £ million
Other Investment Balances:					
Cash Held for Investment	0.709	3.084	-	-0.223	3.570
Net Investments	0.709	3.084	-	-0.223	3.570

The change in market value of £377.577 million (£377.800 million and -£0.223 million) is £9.791 million different than the change in market value on the Fund Account of £387.368 million. The difference is caused by indirect management fees and transaction costs which are charged against the NAV and not directly to the Fund.

The Pooled Investment Vehicles are managed by fund managers registered in the UK.

	Opening Market Value 01 April 2024 £ million	Purchases £ million	Sales £ million	Change in Market Value £ million	Closing Market Value 31 March 2025 £ million
Quoted Pooled Investment Vehicles:					
Equities	972.817	35.913	-	33.316	1,042.046
Fixed Income	990.220	237.805	-	14.266	1,242.291
Index Tracking	1,174.540	-	-197.770	61.591	1,038.361
Other Managed Funds	142.152	377.413	-460.948	-0.970	57.647
Unquoted Pooled Investment Vehicles:					
Other Managed Funds	651.811	85.974	-49.559	-9.157	679.069
Property	306.180	398.042	-320.350	4.898	388.770
Total of Investments	4,237.720	1,135.147	-1,028.627	103.944	4,448.184
	Opening Market Value 01 April 2024 £ million	Movement in Balance £ million	Impairment of Investments £ million	Change in Market Value £ million	Closing Market Value 31 March 2025 £ million
Other Investment Balances:					
Payable for Purchases	-	-8.422	-	-	-8.422
Cash Held for Investment	3.570	19.865	-	-0.454	22.981
Net Investments	3.570	11.443	-	-0.454	14.559

The change in market value of £103.490 million (£103.944 million and - £0.454 million) is £8.862 million different than the change in market value on the Fund Account of £112.352 million. The difference is predominantly caused by indirect management fees and transaction costs which are charged against the NAV and not directly to the Fund.

The Pooled Investment Vehicles are managed by fund managers registered in the UK.



Formation, Ravenswood Ipswich

14. Analysis of Investments (excluding Cash and Derivatives)

Market Value 31 March 2024		Market Value 31 March 2025	
£ million	£ million	£ million	£ million
Pooled Investment Vehicles - Quoted			
972.817	Equities		1,042.046
990.220	Fixed Income		1,242.291
1,174.540	Index Tracking		1,038.361
Other Managed Funds			
69.580	Absolute Returns	0.000	
28.528	Money Market Funds	16.166	
44.044	Private Equity	41.481	
<u>142.152</u>	Total Quoted Other Managed Funds	<u>57.647</u>	
Pooled Investment Vehicles - Unquoted			
Other Managed Funds			
144.341	Illiquid Debt	126.353	
385.420	Infrastructure	434.096	
122.009	Private Equity	102.808	
0.041	Timberlands	15.812	
<u>651.811</u>	Total Unquoted Other Managed Funds	<u>679.069</u>	
793.963	Total Other Managed Funds		736.716
306.180	Property		388.770
<u>4,237.720</u>	Total		<u>4,448.184</u>

The table above breaks down the Pooled Investment Vehicles and further analyses the Other Managed Funds. These investments are either quoted (they are traded on an exchange and have a visible market valuation) or unquoted (stocks that are not traded on an exchange and are difficult to value).

15. Holdings Above 5% of the Fund

This is a summary of the individual holdings within the Fund which exceed 5% of the total net assets available to pay benefits as at the balance sheet date.

Market Value 31 March 2024 £ million	Percentage of the Fund 31 March 2024	Asset Type	Manager
657.180	15.49%	Climate Aware	UBS
581.682	13.71%	Global Equity - Newton	Waystone Management UK Ltd
496.417	11.70%	Fixed Income - Janus Henderson	Waystone Management UK Ltd
493.803	11.64%	Fixed Income - M&G	Waystone Management UK Ltd
358.766	8.46%	Low Carbon Transition Fund	UBS
349.411	8.24%	UK Equity - Blackrock	Waystone Management UK Ltd
223.169	5.26%	Infrastructure Investment Fund	JP Morgan

Market Value 31 March 2025 £ million	Percentage of the Fund 31 March 2025	Asset Type	Manager
670.470	15.07%	Climate Aware	UBS
538.804	12.11%	Fixed Income - M&G	Waystone Management UK Ltd
531.507	11.95%	Fixed Income - Janus Henderson	Waystone Management UK Ltd
367.890	8.27%	Low Carbon Transition Fund	UBS
308.671	6.94%	Global Equity - Newton	Waystone Management UK Ltd
270.110	6.07%	Infrastructure Investment Fund	JP Morgan
246.749	5.55%	UK Equity - Blackrock	Waystone Management UK Ltd

16. Analysis of Derivatives

The Pension Fund's investment managers are permitted to use derivatives in the management of their mandates, subject to the restrictions set out in the individual manager's investment management agreement. The investment managers will make use of currency hedging for the purpose of reducing exchange rate risk in the investments held in their mandates.

In order to maintain appropriate diversification and to take advantage of overseas investment returns, the fund invests in a Low Carbon Transition Fund holding with UBS, into the sterling hedged version. The holding as at 31 March 2025 was £367.890 million (£358.766 million 31 March 2024)

17a. Financial Instruments – Classification

Accounting policies describe how different asset classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The table below analyses the carrying amounts of financial assets and liabilities by category and Net Asset Statement heading, excluding statutory creditors (prepayments from employers, transfer values, lump sum benefit payments, payroll adjustments) and statutory debtors, (employer and employee contributions, VAT, transfer values and capital cost of retirement).

31 March 2024			31 March 2025		
Designated as Fair Value through Profit & Loss £ million	Assets at Amortised Cost £ million	Financial Liabilities at Amortised Cost £ million	Designated as Fair Value through Profit & Loss £ million	Assets at Amortised Cost £ million	Financial Liabilities at Amortised Cost £ million
Financial Assets					
972.817			1,042.046		
990.220			1,242.291		
1,174.540			1,038.361		
306.180			388.770		
793.963			736.716		
	3.570			22.981	
	2.097			2.658	
	7.308	-1.319		3.640	0.000
4,237.720	12.975	-1.319	4,448.184	29.279	0.000
Financial Liabilities					
					-8.422
		-4.133			-2.002
0.000	0.000	-4.133	0.000	0.000	-10.424
4,237.720	12.975	-5.452	4,448.184	29.279	-10.424

The debtor figure of £2.658 million above (£2.097 million at 31 March 2024) excludes statutory debtors of £10.592 million (£9.936 million at 31 March 2024).

The creditor figure of £2.002 million above (£4.133 million at 31 March 2024) excludes statutory creditors of £6.836 million (£2.382 million at 31 March 2024).

No financial assets were reclassified during the accounting period.

17b. Net Gains and Losses on Financial Instruments

31 March 2024		31 March 2025
£ million	Financial Assets	£ million
377.800	Fair value through profit and loss	103.944
-0.223	Amortised cost - unrealised gains	-0.454
Financial Liabilities		
0.000	Fair value through profit and loss	0.000
377.577	Total	103.490

18a. Fair Value Hierarchy

The valuation of financial instruments has been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level 1

Financial instruments at level 1 are those where the fair values are derived from unadjusted quoted prices in active markets for identical asset or liabilities. Products classified as level 1 comprise quoted equities, quoted fixed securities, quoted index linked securities and unit trusts.

Listed investments are shown at bid price. The bid value of the investment is based on the bid market quotation of the relevant stock exchange.

Level 2

Financial instruments at level 2 are those where quoted market prices are not available; for example, where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data.

Assets classified as level 2 include pooled equity and fixed income investments.

Level 3

Financial instruments at level 3 are those where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data.

These instruments would include unquoted investments such as Property, Private Equity, Infrastructure, Illiquid Debt and Timberlands, which are valued using various valuation techniques that require significant judgement in determining appropriate assumptions.



Giles' Grandma, Ipswich

18.b Fair Value - Basis of valuation

The basis of valuation for each class of investment asset is set out below:

Asset	Valuation Hierarchy	Basis of Valuation	Observable and Unobservable inputs	Key Sensitivities affecting the Valuations
Market Quoted Equities Money Market Funds Absolute Returns	Level 1	Published bid market price	N/A	N/A
Index Tracking Equity Pooled Funds	Level 2	Valuation technique with quoted prices of a similar asset	Price of recent transactions for identical instrument	Significant change in economic circumstances or time lapse since the transaction took place.
Fixed Income	Level 2	The prices are published reflecting the NAV at each dealing point but are not exchange traded	Price of recent transactions for identical instrument	Significant change in economic circumstances or time lapse since the transaction took place.
Forward Foreign Exchange derivatives	Level 2	Market exchange rates at the year end	Price of recent transactions for identical instrument	Risk of an exchange rate changing between the transaction date and the subsequent settlement date volatility of the exchange rates during the hedge period
Property	Level 3	Assets are priced based on valuations received from the Managers which are determined in accordance with the last known NAV and adjusted for subsequent capital calls and distributions and other relevant information provided by the property fund.	Pricing inputs are unobservable and includes situations where there is little market activity. Estimated rental growth. Covenant strength for existing tenancies. Discount rate. Land/Building valuation surveys.	Significant changes in rental growth, vacancy levels or the discount rate could affect valuations as could more general changes to market prices and volumes of sales and purchases
Illiquid Debt	Level 3	The valuation techniques used include comparison to recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option adjusted spread models and, if applicable, enterprise valuation.	These techniques may include a number of assumptions relating to variables such as credit risk and interest rates.	Valuations could be affected by material events occurring between the date of the financial statements provided and the Pension Funds reporting date, by changes to expected cash flows, earning multiples and discount rates used in the discounted cash flow analysis.
Infrastructure	Level 3	The valuation of the investment assets is determined in accordance with generally accepted valuation principles in compliance with article 5(3) of the Luxembourg law of 15 June 2004 on investment companies in risk capital.	Management's cash flow projections. Estimates of growth expectations and profitability. Profit margin expectations. Adjustments to current prices for similar properties	Valuations could be affected by material events occurring between the date of the financial statements provided and the Pension Funds reporting date by changes to expected cash flows and fair value adjustments

Asset	Valuation Hierarchy	Basis of Valuation	Observable and Unobservable inputs	Key Sensitivities affecting the Valuations
Private Equity	Level 3	The valuation of the investments are carried at fair value as determined in good faith by the General Partner in accordance with the terms of the Partnership Agreement and US GAAP.	Management's cash flow projections Estimates of growth expectations and profitability Profit margin expectations Adjustments to current prices for similar assets valuation techniques	Valuations could be affected by material events occurring between the date of the financial statements provided and the Pension Funds reporting date, by changes to expected cash flows, earning multiples and discount rates used in the discounted cash flow analysis.
Timberlands	Level 3	Valuation technique is based on accepted valuation techniques that include discounted cash flow and multiple earnings.	Management's cash flow projections Estimates of growth expectations and profitability Profit margin expectations Adjustments to current prices for similar assets valuation techniques	Valuations could be affected by material events occurring between the date of the financial statements provided and the Pension Funds reporting date, by changes to expected cash flows, earning multiples and discount rates used in the discounted cash flow analysis.



Sir Alf Ramsey, Ipswich

18.c Valuation of Financial Instruments Carried at Fair Value

	Quoted Market Price Level 1 £ million	Using Observable Inputs Level 2 £ million	With Significant Unobservable Inputs Level 3 £ million	Total £ million
Values at 31 March 2024				
Financial Assets				
Fair value through profit and loss	72.571	3,207.158	957.991	4,237.720
Assets at amortised cost	12.975			12.975
Total Financial Assets	85.546	3,207.158	957.991	4,250.695
Financial Liabilities				
Fair value through profit and loss				
Financial Liabilities at amortised cost	-5.452			-5.452
Total Financial Liabilities	-5.452	0.000	0.000	-5.452
Net Financial Assets	80.094	3,207.158	957.991	4,245.243

	Quoted Market Price Level 1 £ million	Using Observable Inputs Level 2 £ million	With Significant Unobservable Inputs Level 3 £ million	Total £ million
Values at 31 March 2025				
Financial Assets				
Fair value through profit and loss	57.646	3,322.698	1,067.840	4,448.184
Assets at amortised cost	29.279			29.279
Total Financial Assets	86.925	3,322.698	1,067.840	4,477.464
Financial Liabilities				
Fair value through profit and loss				
Financial Liabilities at amortised cost	-2.002	-8.422		-10.424
Total Financial Liabilities	-2.002	-8.422	0.000	-10.424
Net Financial Assets	84.923	3,314.276	1,067.840	4,467.039

18.d Reconciliation of Fair Value measurements within Level 3

Assets	Opening Market Value 01 April 2023 £ million	Purchases £ million	Sales £ million	Realised Gains/(Losses) £ million	Unrealised Gains/(Losses) £ million	Closing Market Value 31 March 2024 £ million
Property	296.809	24.969	-4.038	1.271	-12.831	306.180
Illiquid Debt	106.195	41.773	-5.545	0.022	1.896	144.341
Infrastructure	379.237	19.108	5.307	2.249	-15.983	385.420
Private Equity	133.090	3.938	-12.946	9.303	-11.376	122.009
Timberlands	0.235	0.000	0.000	-	-0.194	0.041
Total of Investments	915.566	89.788	-17.222	8.347	-38.488	957.991

Assets	Opening Market Value 01 April 2024 £ million	Purchases £ million	Sales £ million	Realised Gains/(Losses) £ million	Unrealised Gains/(Losses) £ million	Closing Market Value 31 March 2025 £ million
Property	306.180	398.042	-320.350	31.006	-26.108	388.770
Illiquid Debt	144.341	8.924	-24.148	0.012	-2.776	126.353
Infrastructure	385.420	58.097	-6.954	0.527	-2.994	434.096
Private Equity	122.009	2.781	-18.457	11.946	-15.471	102.808
Timberlands	0.041	16.172	0.000	0.000	-0.401	15.812
Total of Investments	957.991	484.016	-369.909	43.491	-47.750	1,067.839



Snooks the dog, Aldeburgh

18.e Sensitivity of assets values at Level 3

An analysis of historical data and expected investment return movements by Hymans Robertson has determined a potential market movement range for the value of the holdings classified as level 3 as below:

	Market Value 31 March 2024 £ million	Valuation Range	Value on Increase £ million	Value on Decrease £ million
Property	306.180	15.6%	353.944	258.416
Illiquid Debt	144.341	7.7%	155.455	133.227
Infrastructure	385.420	13.6%	437.837	333.003
Private Equity	122.009	31.2%	160.076	83.942
Timberlands	0.041	13.6%	0.046	0.035
Total of Investments	957.991		1,107.358	808.623

	Market Value 31 March 2025 £ million	Valuation Range	Value on Increase £ million	Value on Decrease £ million
Property	388.770	15.2%	447.863	329.677
Illiquid Debt	126.353	7.0%	135.197	117.508
Infrastructure	434.096	14.5%	497.040	371.152
Private Equity	102.808	26.6%	130.155	75.461
Timberlands	15.812	14.5%	18.104	13.519
Total of Investments	1,067.839		1,228.359	907.318

19. Nature and Extent of Risks Arising from Financial Instruments

The fund's primary long-term risk is that the fund's assets will fall short of its liabilities of benefits payable to members. The aim therefore of investment risk management is to minimise the risk of an overall reduction in the value of the fund and to maximise the opportunity for gains across the whole fund portfolio.

This risk is minimised through asset diversification to reduce exposure to market risk and credit risk to an acceptable level. The liquidity risk is managed by ensuring there is sufficient liquidity to meet the fund's forecast cash flows, which forms part of the Pension Fund's overall risk management policy.

Responsibility for the fund's risk management strategy rests with the Pension Fund Committee. Risk management policies are established to identify and analyse the risks and are reviewed regularly to reflect changes in activity and market conditions.

The key risks that have been identified are:

- A. Credit risk
- B. Liquidity risk
- C. Market risk
- D. Interest Rate Risk
- E. Currency Risk
- F. Price Risk
- G. Custody
- H. Investment Management
- I. Sensitivity of Funding position to market conditions and investment performance

A. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to another party by failing to meet its obligations.

The Fund is exposed to credit risk in its operational activities through securities lending, forward currency contracts and treasury management activities. Commercial credit risk also arises with those organisations that pay monies over to the Fund (debtors) as part of the administration function, principally contributions from employers and transfers in from other registered pension schemes.

The Fund monitors the monthly receipt of contributions from employers. The Funding Strategy Statement requires safeguards to be in place for all new admission agreements to protect the Fund from an employer default, primarily

through a guarantee from a tax-backed scheme employer for any new employer in the Fund. An analysis of debtor balances at 31 March 2025 is provided in Note 22.

The Fund's bank account is held with Lloyds Bank Plc, which is also banker to Suffolk County Council the Administering Authority for the Pension Fund. The bank held a Long-Term rating of 'A+' (strong) with Standard and Poor and with Fitch as at March 2025. The management of this cash held for the purpose of managing the cashflow was carried out by the Council's Treasury Management team in accordance with the cash management strategy approved by the Pension Fund Committee. The Fund has had no occasion of default or uncollectable deposits.

The Fund's cash pending allocation for investment, is held within the custody system in the bank account of the custodian, Northern Trust.

At 31 March 2025, £3.640 million was with Lloyds (£5.989 million at March 2024). Cash deposited with Northern Trust amounted to £39.147 million at 31 March 2025 (£16.982 million at March 2024). Previously the Fund held balances in Schroders money market fund, but this has been disinvested during the year (£15.117 million at March 2024).

B. Liquidity risk

Liquidity risk is the risk that the Fund will have insufficient liquid assets (cash) to meet its investment or benefit obligations as they fall due. The Pension Fund takes steps to ensure it has adequate cash resources to meet its commitments.

The Pension Fund holds sufficient working capital to ensure that it has cash available to meet benefit and transfer payments and cash drawdown requirements in respect of certain investment transactions. Within mandates it is the responsibility of the individual managers to ensure that they have sufficient funds available to meet the transactions they enter into on behalf of the Fund. These responsibilities are detailed within the investment management agreements. At an investment level a large proportion of the Fund's investments are held in instruments that can be realised at short

notice if a cash flow need arose. Certain investments, particularly property, unquoted private equity, illiquid debt, timberlands and infrastructure funds are considerably less liquid, but these make up a far smaller proportion of the overall portfolio, £1,067.839 million, 24% (£957.991 million, 23% at March 2024).



Spirits of Lowestoft, Lowestoft

C. Market risk

Market risk is the risk that the fair value of cash flows of a financial instrument will fluctuate due to changes in market sentiment. Market risk reflects interest rate, currency and other price risk.

Market risk is inherent in the investments that the Fund makes. To mitigate market risk the investments are made in a diversified set of asset classes and investment approaches to ensure a risk adjusted balance between categories. The Fund takes formal advice from its independent investment advisers (Hymans Robertson LLP and Mark Stevens), and the portfolio is split between a number of managers and investment strategies with different benchmarks and performance targets. Full details can be found in the investment strategy statement that is available at www.suffolkpensionfund.org. Investment risk and strategy are regularly reviewed by the Pension Fund Committee.

D. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Pension Fund's exposure to interest rate movements from its investments in fixed interest securities and cash and cash equivalents which includes the custodian money market fund and cash held for investment.

The Pension Fund recognises that interest rates can vary and can affect both income to the fund and the value of the net assets. A 100-basis point (BPS) movement in interest rates (equivalent to 1%) is consistent with the level of sensitivity applied as part of the Fund's risk management strategy.

The analysis overleaf, assumes that all other variables remain constant and shows the effect in the year of a +/- 100 BPS change in interest rates on the cash available to pay benefits.

	Value as at 31 March 2024	Change + 100 BP's	Change - 100 BP's
Asset Type	£ million	£ million	£ million
Cash held for Deposit	5.989	0.060	-0.060
Cash and Cash Equivalent	32.099	0.321	-0.321
Total Assets	38.087	0.381	-0.381

	Value as at 31 March 2025	Change + 100 BP's	Change - 100 BP's
Asset Type	£ million	£ million	£ million
Cash held for Deposit	3.640	0.036	-0.036
Cash and Cash Equivalent	39.147	0.391	-0.391
Total Assets	42.787	0.427	-0.427



Wartime Pilot, Ipswich

E. Currency Risk

Currency risk is the extent to which the Pension Fund is exposed to fluctuations in exchange rates and the impact these fluctuations have on the sterling valuation of assets denominated in foreign currency.

The one year expected standard deviation for an individual currency as at 31 March 2025 is 9.1% (as provided by Hymans Robertson). This is based on the assumption that there is no diversification with other assets and that all other variables, in particular interest rates remain constant.

The foreign exchange rate movement exposure to the strengthening or weakening of sterling against the various currencies in which the fund holds investments which are not hedged to sterling are as below:

Asset Type	Value as at 31 March 2024 £ million	Potential Market Movement £ million	Value on Increase £ million	Value on Decrease £ million
Overseas Equities	623.406	57.977	681.382	565.429
Overseas Index Linked Equit	1,015.946	94.483	1,110.430	921.463
Alternative Investments	438.053	40.739	478.792	397.314
Total overseas assets	2,077.405	193.199	2,270.604	1,884.206

Asset Type	Value as at 31 March 2025 £ million	Potential Market Movement £ million	Value on Increase £ million	Value on Decrease £ million
Overseas Equities	795.297	72.372	867.669	722.925
Overseas Index Tracking	1,038.361	94.491	1,132.852	943.870
Alternative Investments	584.911	53.227	638.138	531.684
Total overseas assets	2,418.569	220.090	2,638.659	2,198.479

F. Price Risk

Price risk is the risk of volatility in the valuation of the assets held by the Fund. The level of volatility will vary by asset class and also over time. The Fund has some diversification in the asset classes in which it invests, which seeks to reduce the correlation of price movements between different asset types, while employing specialist investment managers to best deploy capital in line with the Fund's overall strategy.

An analysis of historical data and expected investment return movements by Hymans Robertson has resulted in a potential market movement price risk index for each asset type. If the market price of the fund's investments increase or decrease in line with the potential market movements then the change in the value of the net assets would be as follows:

Asset Type	Value as at 31 March 2024 £ million	Change %	Value on Increase £ million	Value on Decrease £ million
Equities	972.817	16.72	1,135.472	810.162
Fixed Income	990.220	7.50	1,064.486	915.953
Index Linked	1,174.540	15.40	1,355.418	993.660
Cash & FFX	3.570	0.30	3.581	3.559
Money Markets	28.528	2.00	29.099	27.958
Property	306.180	15.50	353.638	258.722
Alternatives	765.435	15.80	886.373	644.497
Total Assets	4,241.290		4,828.067	3,654.511

Asset Type	Value as at 31 March 2025 £ million	Change %	Value on Increase £ million	Value on Decrease £ million
Equities	1,042.046	18.42	1,233.991	850.101
Fixed Income	1,242.291	6.50	1,323.040	1,161.542
Index Tracking	1,038.361	18.60	1,231.496	845.226
Cash	22.981	0.30	23.050	22.912
Money Markets	16.166	2.00	16.489	15.842
Property	388.770	15.20	447.863	329.677
Alternatives	720.551	15.60	832.957	608.146
Total Assets	4,471.166		5,108.886	3,833.446

G. Custody

The Fund appointed Northern Trust as its global custodian with responsibility for safeguarding the assets of the Fund. Northern Trust is an established custodian bank and were appointed as the Fund's custodian in 2021 following a national framework tendering process. Quarterly reconciliations are performed between the underlying records of the custodian and the appointed investment managers.

H. Investment Management

The Fund has appointed a number of investment managers to manage portions of the Fund. An Investment Management Agreement is in place for each relationship. All appointments meet the requirements set out in the LGPS investment regulations. Managers' report performance on a quarterly basis and this is monitored and reported to Pension Fund Committee. The Fund makes use of a third-party performance measurement service provided by Northern Trust. All managers have regular review meetings and discussions with members of the Pension Fund Committee, officers and the Independent Financial Adviser Mark Stevens.

I. Sensitivity of Funding position to market conditions and investment performance

When preparing the formal valuation, the Actuary takes the assets of the Fund at the market value on the valuation date. Volatility in investment performance as a result of market risk factors can have an immediate effect on the funding level and deficit. This is particularly relevant because the Fund is invested predominantly in riskier (and historically higher return) assets such as equities and equity-like investments (e.g., property trusts). A rise or fall in the level of equity prices can have a direct impact on the financial position of the Fund.

Less obvious is the effect of anticipated investment performance on the Fund's liability to pay future pension benefits. Here the returns available on government bonds (gilts) are important, as the discount rate that is used to place a value on liabilities is the gilt yield at the valuation date plus a margin of 1.8% per annum. Effectively if the gilt yield rises the discount rate will increase and all other things being equal the value placed on liabilities will

fall. If the Fund was invested entirely in gilts rather than potentially higher returning assets the discount rate would be lower as no margin for the expected-out performance of the Fund's investments over gilts could be assumed.



Tree Way Marker, Saxmundham

20. Funding Position

In line with Regulation 62 of the Local Government Pension Scheme Regulations 2013, the Fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contribution rates for the forthcoming triennial period.

An actuarial valuation uses economic and demographic assumptions in order to estimate future liabilities of pensions payable. The assumptions are typically based on a mix of statistical studies and experienced judgement. Hymans Robertson LLP provides the Fund's Actuarial appraisal.

The key elements of the funding policy are:

- To take a prudent long-term view to secure the long-term solvency of the Fund, with sufficient funds to pay benefits to members and their dependents.
- Use a balanced investment strategy to minimise long-term cash contributions from employers for long term efficiency.
- To ensure that employer contributions rates are as stable as possible.
- To reflect the different characteristics of employing bodies in determining contribution rates where the administering authority considers it reasonable to do so.
- To use reasonable measures to reduce the risk to other employers and ultimately to the council taxpayer from an employer defaulting on its pension's obligations.

The primary objective of the Fund is to set employer contribution rates that will adequately cover the cost of benefits which will accrue in the future and any costs related to benefits already earned.

Formal Valuation

The last formal three-yearly actuarial valuation was carried out as at 31 March 2022. The valuation report sets out the rates of the employer's contributions for the three years starting 1 April 2023. The valuation was based on:

- Meeting the requirements of the Local Government Pension Regulations.
- 100% funding of future liabilities for service completed to 31 March 2022.
- The 'projected unit method' of actuarial valuation.

Financial Assumptions

Financial assumptions typically try to forecast when benefits will come into payment, what form these will take and how much the benefits will cost the Fund in the future. The financial assumptions included in the valuation are as follows:

- Projected investment returns of 3.7% per year.
- Projected increase in future salaries of 3.7% a year.
- Projected pension increases of 2.7% a year. (CPI)

Funding Position

The actuary uses the market value of the Fund's assets as stated in the audited accounts of March 2022. The actuarial assessment of the value of the fund's assets was £3,756 million as at 31 March 2022 and the liabilities at £3,522 million.

The valuation showed that the Fund's assets covered 107% of its liabilities at the valuation date, and the surplus based on the actuarial valuation was £235 million.

Contribution Rates

The Fund actuary uses a model to project each employer's asset share over a range of future economic scenarios. The contribution rate takes each employer's assets into account as well as the projected benefits due to their members.

Employer contributions are made up of two elements:

- the primary contribution rate – contributions payable to cover all future benefits.
- the secondary contribution rate – costs associated with sufficiently funding benefits accrued up to the valuation date.

The total contribution rate for each employer is then based on:

- the funding target – how much money the Fund aims to hold for each employer.
- the time horizon – the time over which the employer aims to achieve the funding target.
- the likelihood of success – the proportion of modelled scenarios where the funding target is met.

This approach takes into account the maturing profile of the membership when setting employer contribution rates.

The whole fund primary rate (payroll weighted average of the underlying individual employer rates) is 20.0% of pensionable pay for the three years starting 1 April 2023.

The average employee contribution rate is 6.6% of pensionable pay.

The next formal valuation is as at 31 March 2025.

21. Actuarial Present Value of Promised Retirement Benefits

In addition to the triennial funding valuation, the fund's actuary also undertakes a valuation of the Pension Fund liabilities every year using the same base data as the funding valuation rolled forward to the current financial year, taking account of changes in membership numbers and updating assumptions to the current year.

In 2015 the Government introduced reforms to public sector pensions, meaning most public sector workers were moved into new pension schemes in 2015 with transitional protections introduced for older members. In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judicial and fire fighters' schemes, as part of the reforms, amounted to unlawful discrimination on the basis of age discrimination. This ruling does have implications for the Local Government Pension Scheme.

As part of the introduced reforms the LGPS changed from a final salary scheme (a pension based on the members salary when they left) to a career average scheme (a pension which is built up based on what the member earned each year)

Older members who were closer to retirement were protected from the changes. This means when a protected member takes their pension, the benefits payable under the career average scheme are compared with the benefits that would have been built up, had the final salary scheme continued and they receive the higher amount. This protection is called the underpin.

To remove the McCloud age discrimination, qualifying younger members will now receive the underpin protection too. This change came into force on 1 October 2023. Underpin protection only applies to pension built up in the remedy period, between 1 April 2014 and 31 March 2022. From 1 April 2022, there is no underpin protection. Pension built up after this date is based on the career average scheme only.

The cost to the Suffolk Pension Fund of the McCloud remedy has been built into the valuation and funding position by the Fund's actuary.

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment has now been upheld by the Court of Appeal.

The Local Government Pension Scheme is a contracted out defined benefit scheme, and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work is being performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not complete.

Until this analysis is complete, the Fund is unable to conclude whether there is any impact on the assessed actuarial present value of promised retirement benefits under IAS 26, or if it can be reliably estimated. As a result, The Suffolk Pension Fund does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in the disclosure of the actuarial present value of promised retirement benefits in its financial statements.

International Accounting Standard 26 (IAS 26)

CIPFA's Code of Practice on Local Authority Accounting 2024 - 2025 requires administering authorities of the LGPS funds that prepare pension fund accounts to disclose what IAS 26 refers to as the actuarial present value of promised retirement benefits.

This is similar to the valuation, but the assumptions used are in line with IAS 19 rather than assumptions tailored to the Suffolk Pension Fund and using a discount rate rather than reflecting market rates.

The following assumptions have been used for the IAS 26 calculation:

- Pension increases of 2.75% a year (3.2% 31 March 2022)
- Increases in future salaries of 3.75% a year (4.2% 31 March 2022)

- Discount Rate of 5.80% per year (2.7% 31 March 2022)

The IAS 26 calculation shows that the present value of promised retirement benefits amount to £2.933 billion as at 31 March 2025 (£4.591 billion as at 31 March 2022). This incorporates an approximate allowance for the potential increase in liabilities arising from the impact of the McCloud judgement.



Perceval, Snape Maltings

22. Current Debtors

The current debtors can be analysed as below:

31 March 2024 £ million		31 March 2025 £ million
	<u>Debtors</u>	
7.620	Employers Contributions	8.265
2.185	Employee Contributions	2.270
0.700	Investment Assets	1.621
1.264	Sundry Debtors	0.626
0.263	Asset Pooling	0.468
12.033		13.250

23. Current Creditors

The current creditors can be analysed as below:

31 March 2024 £ million		31 March 2025 £ million
	<u>Creditors</u>	
-0.845	Amounts owed to Employers	-4.004
-2.676	Investment Expenses	-0.253
-0.084	Administration and Governance Expenses	-1.698
-0.642	Transfer Values In Adjustment	0.000
-0.731	Lump Sum Benefits	-0.907
-1.537	Sundry creditors	-1.976
-6.515		-8.838

24. Additional Voluntary Contributions

Scheme members have the option to make additional voluntary contributions to enhance their pension benefits. In accordance with regulation 4 (1) (b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, additional voluntary contributions have been excluded from the Fund Account and Net Asset Statement. These contributions are held by the providers and therefore do not form part of the Fund's investments.

In the summer of 2023, Hymans were commissioned to conduct a review of the Fund's AVC provision and to test the current market and as a result of this exercise recommended Legal & General provide the AVC provision for the Suffolk Pension Fund. This was approved by the Pension Fund Committee on 28 November 2023 and implemented during this financial year.

Members were given the option to remain with their current provider or to transfer to the Legal & General scheme. Some members who held specific investments, with profits and property, were advised that their investments would remain with their current provider, but they could still start a new investment with Legal & General. Those members who are intending to retire within 2 years were also advised to remain with their current provider.

A total of £0.182 million was paid over to the providers Legal & General, Standard Life and Clerical Medical in 2024 - 2025, (£0.086 million 2023 - 2024).

25. Related Party Transactions

Related party transactions requiring disclosure in accordance with IAS 24 are as follows:

The Suffolk Pension Fund is administered by Suffolk County Council and consequently there is a strong relationship between the Council and the Pension Fund.

Suffolk County Council is the largest single employer of members of the Pension Fund and contributed £39.565 million to the Fund in 2024 - 2025 (£37.373 million in 2023 - 2024). In addition, the council incurred costs of £1.591 million (£1.411 million in 2023 - 2024) in relation to the administration of the Fund, audit, legal and committee services. These have all been reimbursed by the Fund.

Part of the Pension Fund cash holdings are invested by the Treasury Management operations of Suffolk County Council through the Treasury Management Policy approved by the Pension Fund Committee. During the year ending 31 March 2025, the Fund had an average investment balance of

£10.632 million (£10.391 million in 2023 - 2024) earning interest of £0.544 million (£0.487 million in 2023 - 2024) from these investments.

One member of the Pension Fund Committee and five members of the Pension Fund Board are scheme members within the Pension Fund. All members of the Pension Fund Committee and Board are required to declare their interests at each meeting.

26. Key Management Personnel

No senior officer responsible for the administration of the Pension Fund provides any goods or services to the Fund other than those covered by their contract of employment with the Council.

The key management personnel of the Fund are the S151 Officer, Head of Pensions and Lead Accountant (Pensions). The total remuneration payable to the key management personnel by the Suffolk Pension Fund was £0.193 million in 2024 - 2025 (£0.163 million in 2023 - 2024).

These costs are charged to the Pension Fund as governance and oversight costs, Note 11 and are included in the related parties Note 25.

27. Securities Lending

The Suffolk Pension Fund does not operate securities lending however it is undertaken in the pooled holdings operated by Waystone and the proceeds are reflected in the asset value, earning £0.074 million in 2024 - 2025 (£0.021 million in 2023 - 2024).



Tranmere House, Sutton Hoo

28. Contractual Commitments

In 2003 the Fund made contractual commitments to private equity funds managed by Wilshire and Pantheon. Commitments are made in the underlying currency of the funds (\$103.131 million and €41.288 million) and are therefore subject to volatility (risk) arising from exchange rate fluctuation. This volatility will impact both the value of unfunded commitments in sterling terms and the valuation of the funded interest and monies received as distributions. At 31 March 2025 the unfunded commitment (monies to be drawn in future periods) is \$6.772 million and €1.626 million. The commitments are paid over the investment timeframe of the underlying partnerships.

In 2011 - 2012 a contractual commitment of €54 million was made to an infrastructure investment (Partners Group Global Infrastructure 2012) managed by Partners Group. As at 31 March 2025 7% of the total commitment has been released, leaving €1.649m outstanding.

In 2015 - 2016 contractual commitments of \$149.500 million were made to private equity investments managed by Pantheon. Some draw downs on the commitments have been made and the outstanding amounts to 31 March 2025 are \$19.426 million.

In 2016 - 2017 the Pension Fund made additional contractual commitments to M & G, of £60 million in the Greenfield infrastructure fund. The outstanding amount is £1.720 million.

During 2017 - 2018 a contractual commitment was made to an infrastructure investment (Partners Group Global Infrastructure 2015) managed by Partners Group of €55 million, the outstanding amount as at 31 March 2025 is €8.314 million.

During 2020 - 2021 a contractual commitment of £75 million was made to the Mult Asset Credit Fund with Partners Group. The undrawn amount at the end of the year is £4.185 million.

During 2021 - 2022 a contractual commitment of \$84 million was made to the Global Infrastructure Fund IV with KKR. \$12.545 million remains outstanding.

During 2022 - 2023 a contractual commitment of £75 million was made to the Multi Asset Credit Fund VII with Partners Group. £24.303 million remains outstanding.

During 2024 - 2025 a contractual commitment of \$56 million was made in Timber, managed by JP Morgan (Campbell Global Forest and Climate Solutions Fund II). At 31 March 2025 the unfunded commitment is \$35.638 million.

During 2024 - 2025 contractual commitments were made in Timber, managed by Stafford. Commitments of \$21 million (International Timberland Fund X) and \$10 million (Carbon Offset Opportunity Fund) were made. No capital has been paid during the financial year.



Wheat Field, Wyverstone Suffolk

A summary of the commitments is as below:

Asset Class	2024 - 2025		
	Commitment £ million	Drawn £ million	Outstanding £ million
Private Equity			
Wilshire (2003-2008)	35.946	33.710	2.236
Pantheon (2003-2010)	44.737	40.364	4.373
Pantheon (2015)	115.825	100.775	15.050
Total Private Equity	196.508	174.849	21.659
Infrastructure			
Partners (2012)	45.191	43.810	1.381
Partners (2016)	46.028	39.070	6.958
M&G (2016)	60.000	58.280	1.720
KKR (IV)	65.078	55.359	9.719
Total Infrastructure	216.297	196.519	19.778
Timber			
JP Morgan (II)	43.385	15.775	27.610
Stafford (X)	16.270	0.000	16.270
Stafford (Carbon)	7.747	0.000	7.747
Total Infrastructure	67.402	15.775	51.627
Illiquid Debt			
Multi Asset Credit VI	75.000	70.815	4.185
Multi Asset Credit VII	75.000	50.697	24.303
Total Illiquid Debt	150.000	121.512	28.488