

From 1 April 2025

Business Plan

BACKGROUND

The LGPS is a nationwide public sector pension scheme, which is administered locally. The objective of the West Sussex Pension Fund (the Pension Fund) is to deliver a high-quality service. How it sets its strategic priorities, are partly formed by the national landscape and partly driven by decisions made by the West Sussex Pensions Committee.

The purpose of the Business Plan is to ensure that additional activities responding to risk, policy and regulation and promoting best practice are tracked and delivered.

The core aims for the Pensions Committee are described below:

- **Governance:** The Pension Fund has 239 active employers, 98,000 members and other stakeholders which are at the centre of the Pension Fund's activities. The Pension Fund acts within a robust governance framework which takes into consideration risk management, compliance, and appropriate resourcing. Activities for the year focus on further guidance on Pension Fund governance, The Pension Regulator's General Code of Practice and Cyber Security.
- **Funding and Investments:** The Pension Fund is committed to making the best use of resources. It seeks to minimise the long-term cash contributions which employers need to pay. The Pension Fund does this by understanding the link between assets and liabilities and implementing an investment strategy which balances risk and return. The focus for the year reflects the Government's consultation on investment asset pooling and the 2025 Actuarial Valuation.
- **Administration and Communications:** To ensure that the Pension Fund delivers a high-quality administration service to all stakeholders, it will continue to work closely with partners. This will enable the Fund to ensure it receives all income due and that payments are made to the right people at the right time. To support stakeholders, the Pension Fund provides clear communication and completing robust accounting and reports. The focus for the year reflects the connectivity to Pension Dashboards and improvements to communications.

Further detail about the monitoring of progress towards the aims and milestones will form part of the agenda for each Pensions Committee.

Performance against the 1 April 2024 Business Plan is shown in Appendix 2 and information about resourcing can be found in Appendix 3.

GOVERNANCE

Supporting fund governance

On 14 November 2024, the Government published a consultation on proposals relating to the Local Government Pensions Scheme (LGPS) which covered asset pooling, UK and local investment and governance. The proposals relating to governance were welcomed by the Pension Fund and reflect the high standards of practice already in place locally, and across the LGPS.

Several of the proposals also align with the requirements of The Pensions Regulator and the legal responsibilities of, and expected standards of conduct and practice for, Scheme Managers of public sector pension schemes as set out in its General Code of Practice.

Future priorities have been set out below. These are not in priority order.

Ref	Activity	Timescale
1.	Agree a full year audit plan with the Southern Internal Audit Partnership to consider the internal control environment and report to the Pensions Committee and Board on its delivery. This will then form part of the administration strategy. Documenting the internal control environment will also support full compliance with the Pension Regulator's General Code of Practice.	30/06/25
2.	Review the following policies and strategies to ensure that these reflect the management of the Fund and align to guidance and best practice:	
	<ul style="list-style-type: none">• Administration and Communication Strategy which reflects the outcomes of the Government's Fit for the Future consultation and the General Code of Practice requirements.	30/06/25

Ref	Activity	Timescale
	<ul style="list-style-type: none"> Governance Policy including the training strategy and the conflicts of interest policy which reflects the outcome of the Government's Fit for the Future consultation and the General Code of Practice requirements. . 	30/06/25
	<ul style="list-style-type: none"> Annual Report which reflects the outcome of the Government's Fit for the Future consultation. 	30/09/25
	<ul style="list-style-type: none"> Privacy Notice to ensure both the full and summary privacy statements are up to date, correctly reflecting the use of the sharing of member data by the Pension Fund. 	30/09/25
	<ul style="list-style-type: none"> Funding Strategy Statement which reflects guidance published by the Scheme Advisory Board's Compliance and Reporting Committee, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Ministry of Housing, Communities and Local Government. 	31/03/26
	<ul style="list-style-type: none"> Investment Strategy Statement which reflects any future guidance published following the Government's Fit for the Future consultation. 	31/03/26
3.	Support the induction of new member and employer representatives on the Pensions Committee and new employer representatives on the Pension Advisory Board.	30/09/25
4.	Develop a business continuity plan to support full compliance with the Pension Regulator's General Code of Practice.	30/09/25
5.	Participate with industry colleagues to develop frameworks which support governance requirements anticipated in the Government's consultation.	30/09/25
	Put arrangements in place to undertake independent governance review (biennial) once defined by Government following its <i>Fit for the Future</i> consultation.	31/12/25

Ref	Activity	Timescale
	As required, produce an improvement plan to address any issues identified.	31/03/26
	Implement actions and provide regular updates	31/03/26
6.	Consider any further appointments to support the Pensions Committee on investment strategy, governance and administration as anticipated in the Government's <i>Fit for the Future</i> consultation.	31/12/25
7.	Agree arrangements for a senior LGPS officer who has specific roles and responsibilities relating to the pensions function, once defined by the Government following its <i>Fit for the Future</i> consultation.	31/12/25

GOVERNANCE

Training

Committee and Board members, along with officers, benefit from ongoing training to ensure robust decisions are made. The demonstration of knowledge and skills is also required to access some investment markets and to meet The Pension Regulator's requirements.

The Pension Fund's objectives relating to knowledge and skills are to:

- ensure that the Pension Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise,
- ensure the Pension Fund is effectively governed and administered,
- ensure decisions are robust and are well founded. Decisions should comply with regulatory requirements or guidance from The Pensions Regulator, the Scheme Advisory Board and the Secretary of State for Communities and Local Government.

To meet these objectives, Members of the Committee are required to undertake training as specified by the relevant Executive Director or lead service officer, prior to being able to take part in meetings of the Committee. They must complete LGPS Online Learning Academy (LOLA) and The Pension Regulator's e-learning programme and are invited to attend courses, seminars and external events. In addition, officers will arrange Internally developed training days and pre/post meeting sessions and share regular updates on key topics.

Members of the Board must also comply with the training plan produced by the Executive Director of Finance and Support Services.

The below will be added into the training strategy. These are not in priority order.

Ref	Activity	Timescale
8.	Dedicated training date to cover topics including member demographics, fiduciary duty and environmental, social and governance considerations	30/06/25
9.	Local Investment	30/09/25
10.	LGPS Asset Pool oversight	30/09/25

GOVERNANCE

Cyber

Pension schemes hold large amounts of personal data and assets which can make them a target for fraudsters and criminals. It is therefore necessary for the Pension Fund to take steps to protect members and assets against cyber risks, and to have a resilient plan in place to respond to a cyber incident when it arises.

The Pension Committee recognise the risk of a successful cyber-attack directly from external threats; or indirectly because of members or staff falling prey to social engineering or phishing attacks within its risk register. This is currently shown as a red risk and is likely to be maintained at this level.

The Pension Regulator's General Code of Practice, and their previous guidance, along with the National Cyber Security Centre's guidance, set the expectations of good practice that the Pension Fund should follow.

A cyber specialist has been appointed to support the Pension Fund in this area.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescale
11.	Work with the appointed cyber specialist to support the Pensions Committee and officers understanding of the Pension Fund's cyber footprint and digital presence by: improving understanding of the Pension Fund's cyber footprint and digital presence, critical Pension Fund functions and vulnerabilities, preparing a specific data flow map and identifying high priority areas of focus based on risk, designing a strategy for cyber management with proportionate controls (people, processes and technology).	30/09/25

Ref	Activity	Timescale
12.	Design a cyber incident response plan, focused on critical Pension Fund functions and taking into consideration operational, reputational and financial impacts.	31/12/25
	Implement practices which support the development of knowledge and understanding of cyber risks and support the continued considerations of measures and procedures in place to ensure they continue to be fit for purpose.	31/03/26
13.	Engage with auditors and WSCC colleagues about the specific dynamics of the Pension Fund's cyber risk profile and the respective roles and responsibilities.	31/03/26
14.	Implement actions and monitoring reflecting respective roles and responsibilities and provide regular updates.	31/03/26

GOVERNANCE

Value for money

It's important that all contracts managed for the Pension Fund provide Value for Money. Where applicable, contracts are awarded through transparent, fair and consistent market competition, supporting supplier diversity, sustainability goals, and equality of treatment.

The number of contracts directly procured and managed by the Pension Fund have reduced because of LGPS asset pooling. The existing contractual arrangements are summarised below.

Except for the ACS operator, the service delivery and performance of each of these contracts is managed directly by the pensions team to support good outcomes and the delivery of the Pension Committee's objectives.

Property Investments

Provider – Aberdeen
Initial Period – 5 years
Expiry – 2035

Independent Property Valuer

Provider – CBRE
Initial Period – June 2025
Expiry – May 2030

ACS operator

Provider – Waystone
Initial Period – 5 years
Expiry – March 2030

Communication Partner

Provider – Clay 10
Initial Period – 12 Months
Expiry – June 2025

Custodian

Provider – Northern Trust
Initial Period – 3 years
Expiry – June 2025

Actuarial, Benefits and Governance Consultancy

Provider – Hymans
Robertson
Initial Period – 6 years

Pension Administration / Payroll

Provider – Hampshire
County Council
Initial Period – n/a
Expiry – n/a

Independent Investment Adviser

Provider – Caroline
Burton
Expiry – n/a

Cyber Specialist

Provider – Mercer
Initial Period – 18 months
Expiry – October 2026

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.:

Ref	Activity	Timescale
15	Complete two-year extension for provision of custodian services from Northern Trust.	30/06/25
16	Complete procurement for the independent property valuer.	30/06/25
17	Appoint covenant adviser to support the development of the Fund's funding strategy and application of the Funding Strategy Statement for the purpose of the 2025 Actuarial Valuation exercise and then create, implement and manage a proportional covenant monitoring framework in non-valuation years to take effect from 1 April 2026. This review must be completed by 31 July 2025.	30/06/25
18	Make arrangements for ongoing communications support for the Pension Fund's activities.	30/06/25
19	In line with recommendations from internal auditors, review Partnership Agreement to make sure that it remains current to activities, processes and practices, service level expectations and performance deliverables.	30/09/25

INVESTMENT AND FUNDING

Investment strategy

The Pension Fund manages a significant investment portfolio, designed to support the payment of benefits to members and their dependants now, and in the future. On 14 November 2024, the Government published a consultation on proposals relating to the Local Government Pensions Scheme (LGPS) focusing on asset pooling, UK and local investment and governance.

The Government's consultation proposes that Authorities should remain responsible for setting an investment strategy for their fund but would be required to fully delegate the implementation of that strategy to the pool.

The Government's consultation also stated that Authorities should outline their approach to local investment, in their Investment Strategy Statement. This should include a target investment range and consider local growth plans and local economic priorities when setting their investment strategy.

We are waiting for the Government's response to the consultation to understand its potential impact.

In the meantime, the investment strategy is currently being consulted on based on the regulations in place. It will also be reviewed as part of the 2025 actuarial valuation. However, it is recognised that further amendments may be required to the Strategy Statement because of the government consultation.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescales
20.	Finalise the initial Investment Strategy Statement <ul style="list-style-type: none"> based on current Regulations and guidance, including arrangements for carbon, nature related and net-zero targets, incorporating future stewardship reporting expectations. 	30/06/25
	Consult stakeholders on the Investment Strategy Statement.	30/09/25
	Review Strategy based on guidance published following the Government's <i>Fit for the Future</i> consultation and recognising new arrangements with asset pooling.	31/12/25
	Implement the Investment Strategy Statement and report.	31/03/26
21.	Develop a framework informed by participating in forums which allow the Fund to keep up to date of developments relating to asset stewardship and gives the potential for collective action to influence the behaviour of companies, policy makers and other industry stakeholders.	31/03/26

INVESTMENT AND FUNDING

Asset Pooling

In 2015, the Government encouraged LGPS Administering Authorities to work together to “pool investments to significantly reduce costs, while maintaining investment performance”. On 14 November 2024, the Government published a consultation on proposals relating to the Local Government Pensions Scheme (LGPS) covering the areas of asset pooling, UK and local investment, and governance.

West Sussex Pension Fund is part of the ACCESS pool with around 80% of its portfolio already invested within this arrangement. However, the Government’s proposals go further, expecting asset pools to be established as FCA-authorised investment management companies, with the expertise and capacity to implement investment strategies.

The Business Plan for the ACCESS pool is available [here](#).

Below are the key future priorities. These are not in priority order. It is anticipated that these will be a significant focus for the team over the next 12-18 months, with activities expected to evolve.

Ref	Activity	Timescale
22.	Collaborate and participate in business-as-usual activity, as set out by the ACCESS Joint Committee.	31/03/26
23.	Proactively participate in development of future asset pooling arrangements to reflect the Government’s direction of travel.	31/03/26

INVESTMENT AND FUNDING

Actuarial Valuation 2025

The LGPS is a funded pension scheme, with employee benefits guaranteed by the LGPS Regulations and funded through a combination of employee contributions (set nationally), investment returns, and employer contributions. A new valuation of assets against the pension liabilities will take place in 2025/26, setting contribution rates from 1 April 2026.

Previously, funding focused on managing deficits through maximising investment returns and employer contributions within risk and affordability constraints. Recent improvement in funding levels has provided an opportunity for the fund to review and evolve the strategy, balancing employer needs, the current cost of living crisis and budgetary constraints with long term sustainability.

To ensure financial stability, it's essential to make sure employer positions are monitored and managed in line with the regulations and Funding Strategy Statement. This includes appropriate reviews of an employer's covenant, any adjustments to contribution rates and employer events such as exits.

The Pension Fund also plays a key role working with employers to manage admissions and outsourcing arrangements, ensuring good-quality, accurate data which is acknowledged with the risk register.

The funding strategy is currently under reviewed based on new guidance and in preparation for the 2025 actuarial valuation.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescale
24.	Finalise the initial Funding Strategy Statement based on current Regulations and guidance.	30/06/25
	Consult employers on the Funding Strategy Statement.	30/09/25
	Review Strategy based on feedback and any guidance published following the Government's <i>Fit for the Future</i> consultation to recognise new arrangements with asset pool.	31/12/25

Ref	Activity	Timescale
	Final Funding Strategy Statement published.	31/03/26
25.	Manage and actively develop the data improvement plan. .	30/06/25
26.	Work with covenant adviser to development of the Fund's funding strategy and application of the Funding Strategy Statement to certain admission bodies, Academies, Colleges and Universities for the purpose of the 2025 Actuarial Valuation exercise.	30/09/25
27.	Provision of financial and membership data	30/06/25
28.	Receive whole Fund results	31/08/25
29.	Host forum to discuss valuation results with County, District and Borough Councils and Police Authority.	30/09/25
30.	Host forum to discuss valuation results with Academies, Colleges, Town, City and Parish Councils and other Scheduled or admitted bodies.	31/12/25
31.	Final valuation report and Rates & Adjustment certificate published (which sets the minimum employer contribution rate payable for the period 1 April 2026 – 31 March 2029).	28/02/26
32.	Valuation sign-off	31/03/26

INVESTMENT AND FUNDING

Devolution and Reorganisation

In December 2024, the Government set out its intention to transfer powers and funding from national to local government, focusing on mayor-led authorities and restructuring local authorities. This includes moving to a single tier system of government in areas like West Sussex, where there are currently two tiers of government.

West Sussex County Council, alongside East Sussex County Council and Brighton and Hove Council have submitted a proposal to create a Mayoral Strategic Authority for Sussex. This would include an elected mayor and two members of each constituent authority, with strategic powers covering transport, public safety, health, environment and climate change, housing, economic growth, skills and jobs. Following approval of the proposal, a government-run consultation is underway with elections for an elected mayor for Sussex and Brighton to take place in May 2026, subject to the outcome of the consultation.

In addition, the Government has asked councils in West Sussex to collaborate on options for a single-tier local government structure in the county. A final submission to the Government is expected in September 2025, with the Government set to review and respond later in 2025.

Priorities have been set out below. These are not in priority order.

Ref	Activity	Timescale
33.	Develop framework for the administering authorities to work with the mayoral strategic authority for Sussex to identify suitable local investment opportunities, and to have regard to local growth plans and local growth priorities in setting their investment strategy, as anticipated in the Government's <i>Fit for the Future</i> consultation.	30/09/25
34.	Consider impact on administration business as usual activities (redundancies and strain costs, changes to employer base, member communications).	31/03/26
35.	Consider potential for change to the administering authority.	31/03/26
36.	Consider changes to membership of Pension Board and Committee.	31/03/26

ADMIN AND COMMUNICATION

Regulatory changes

The Ministry of Housing, Communities and Local Government (MHCLG) has overall responsibility for the strategic management and policy making in relation to the LGPS in England and Wales. The LGPS also exists within a wider pensions landscape and is influenced by activities of other public sector Schemes and The Pensions Regulator (who is responsible for regulating the governance and administration of pension schemes).

The following are known changes:

- **McCloud:** This relates to the Court of Appeal ruling that younger members of the Judges' and Firefighters' Pension schemes had been discriminated against when public service pension schemes were reformed in 2014/2015. Whilst these changes were effective from October 2023, the work associated will continue.
- **Goodwin:** This relates to changes to the Scheme to ensure greater equality across all relationships when calculating a survivor's pension (Mrs Goodwin v Department of Education).

In addition, the team need to ensure they are ready for the Pensions Dashboards Programme. This is a national initiative which should allow individuals to view information about their pensions, including State Pension, in one place online and help reconnect people with their lost pension pots. LGPS funds are required to be ready to connect and respond to matching requests from October 2025.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescale
37.	Publish Annual Benefit Statements including information about the McCloud remedy for protected members.	31/08/25
38.	Work with administration partners to report on compliance in readiness for the Pension Dashboard Programme	30/09/25
39.	Wait further guidance or Regulation in relation to the Goodwin remedy.	31/03/26

ADMIN AND COMMUNICATION

Communications

The Local Government Pension Scheme provides excellent benefits to support members during their retirement and financial security through immediate life cover, death benefits and (for those who have been in the scheme for two years) immediate ill-health benefits. However, pensions can be complex and confusing for both members and employers.

The Pension Fund is completing work with communications partners Clay10 Creative as a first step to providing more engaging, understandable information about the Pension Fund and to support clarity on the roles and responsibilities associated with the management of the Pension Fund.

The Pensions Committee is committed to continually improving the administration service provided to both members and employers. It will therefore continue to review the format and delivery of communications to make sure they are relevant, clear, considered and inclusive. They will consider this by anticipating changes within the pensions industry to reflect best practice.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescale
40.	Work with colleagues from WSCC IT to launch website designed by Clay10 on the platform procured by the County Council.	30/06/25
	Consider further enhancements to the website based on feedback.	31/03/26
	Consider how the use of AI technology may be used to support member engagement with the website.	31/03/26
41.	Deliver a campaign about pension benefits – informed by member demographics (active and deferred members, and within these categories those who are nearing retirement).	30/09/25

42.	Using existing relationship with Affinity Connect, launch further retirement and financial planning courses targeted at LGPS members.	30/09/25
43.	Work with administration partners to develop communication when Pension Dashboards are launched to raise awareness about the potential for scams and fraudulent activity.	30/09/25

ADMIN AND COMMUNICATION

System change

The Council's business management system (SAP) needs to be replaced to maintain and improve critical activities, including the payment of staff and suppliers, debt recovery and income collection, financial management information and statutory accounting, procurement of goods and services and HR administrative functions.

A refreshed programme to implement Oracle Fusion is underway based on 'adopt not adapt'.

The go-live is planned for the different elements in December 2025 and April 2026.

Priorities (a combination of carried forward and new) have been set out below. These are not in priority order.

Ref	Activity	Timescale
44.	Actively participate as a subject matter expert for the pension fund to ensure that the finance module is implemented taking account of the pension fund requirements.	31/03/2025
45.	Participate in user testing and provide clear and timely feedback to support a sustainable system being implemented.	31/03/2025
46.	Work with colleagues across the Council and the wider programme to support knowledge transfer and cultural and behavioural change.	31/03/2025

FORWARD LOOK

Items on the radar

The following items remain on the Pension Committee's radar and will be incorporated into the business plan as and when there is more certainty about their scope, impact and deliverables.

- New fair deal which looks to ensure that staff compulsorily transferred out of the public sector will continue to have access to good quality pensions.
- Changes to the rules relating to Inheritance tax on death grants effective from April 2027.

APPENDIX 1

The following pages describe how the Pension Fund has performed against its 2024/25 business plan priorities.

There are a number of activities which have been revised, paused or delayed because of the Government's Pension Reform agenda, including its consultation in November 2024.

Items are either shown as **delivered**, in progress or **superseded**.

Where a deliverable is shown as in progress it will either be identified as **red**, if the delay is impactful, or **amber**, if this is managed with minimal impact.

Governance

Ref	Activity	Delivery
1.	Support the induction of a new Chairman to the Pension Advisory Board.	Delivered The first meeting with the new Chair took place on 26 July 2024.
2.	Complete compliance review against Pensions Regulator's General Code of Practice (GCOP).	Delivered The Fund can evidence 86% full compliance and 10% partial compliance.
	Determine any actions required to meet best practice and report actions planned.	In progress (multi-year) Actions in relation to business continuity, internal controls and cyber security have been identified to progress in 2025/26. <i>This has been rated red based on non-compliance with Pension Regulators' expectation.</i>
	Implement actions / provide regular updates.	In progress (multi-year) This will follow the above. <i>This has been rated red based on non-compliance with Pension Regulators' expectation.</i>
3.	Prepare a Conflict-of-Interest Policy	Delivered This forms part of the Governance Policy Statement.
4.	Approve a Conflict-of-Interest Policy.	Delivered This forms part of the Governance Policy Statement.

Ref	Activity	Delivery
	Implement the agreed approach.	In progress (multi-year) This will follow the approval of the Governance Policy Statement by the Committee. <i>This has been rated amber based on existing corporate practice for identifying and managing conflict of interest.</i>
5.	Review the following policies	
	Administration Strategy.	In progress (multi-year) This has been prepared. Positive feedback has been provided by the Pension Advisory Board. The updated version will be consulted on in early 2025. <i>This has been rated amber based on the review relating to drafting improvements rather than adjustments to requirements.</i>
	Annual Report.	Delivered The Annual Report was published by the 1 December 2024 Statutory Deadline and has been updated to include the External Audit Certificate following the Regulation, Audit and Accounts Committee in February 2025.
	Communication Policy, Governance Policy, Privacy Notice and Funding Strategy.	Delivered The Communications Policy has been included in the Administration Strategy. The Governance Policy Statement is being considered by the Committee in April 2025. The Privacy Notice will be reviewed in Q4 and be shared with the Pension Advisory Board in May for their review of compliance with guidance and best practice. The Funding Strategy Statement is being considered by the Committee in April 2025.
6.	Enhance the Training Strategy	Delivered Requirements for Pension Committee training prior to participating in meetings of the Committee have been set in the Constitution.

Ref	Activity	Delivery
7.	Develop a specific induction training	In progress (multi-year) Dates for a focused training for Pension Committee Members has been scheduled for 5 June and 11 July.
8.	Complete a procurement to appoint a cyber specialist (cyber footprint / digital presence).	Delivered Contract awarded to Mercer.
	Prepare a cyber security risks matrix and design a strategy for cyber management	In progress (multi-year) This will be informed by work completed by cyber specialist <i>This has been rated red based on the risk recognition.</i>
	Design a cyber incident response plan	In progress (multi-year) As above. <i>This has been rated red based on the risk recognition.</i>
	Implement practices	In progress (multi-year) As above. <i>This has been rated red based on the risk recognition.</i>
9.	Engage with auditors and WSCC colleagues about the Pension Fund's cyber risk profile and the respective roles and responsibilities.	In progress (multi-year) As above. <i>This has been rated amber based on it being a knowledge and understanding activity for third parties.</i>
	Implement actions and monitoring	In progress (multi-year) As above. <i>This has been rated amber based on it being a knowledge and understanding activity for third parties.</i>
10.	Open tender for a property manager.	Delivered Contract awarded to Aberdeen.
11.	Open tender for an ACS Operator.	Delivered Contract awarded to Waystone.
12.	Determine extension or re-procurement for the independent property valuer.	In progress (multi-year) Opportunity advertised with the closing date 28 March 2025. Contract award will allow for a 30 June 2025 shadow valuation. <i>This has been rated amber based on the contract being effective for the required valuation activity. .</i>

Ref	Activity	Delivery
13.	Determine extension or re-procurement for the Global Custody Services.	Delivered Contract extended with Northern Trust considering the developing direction of Government in relation to LGPS asset pooling.

Investment and funding

Ref	Activity	Delivery
14.	Complete the consultation on the Investment Strategy Statement (ISS)	Delivered Outcome reported to the Pensions Committee in July 2024.
15.	Implement ISS and report.	Delivered Requirements reflected in asset pool and manager interactions.
16.	Consider non-financial disclosures in line with the strategy and risk management process.	In progress (multi-year) Carbon related non-financial disclosure information reported in Annual Report and climate risk has been considered as part of the actuarial valuation modelling work. However, whilst officers have engaged with third parties on potential reporting and consideration of other non-financial disclosures the objectives, beliefs, implementation and reporting going forwards needs to be considered in the context of the Government's consultation on LGPS investments. <i>This has been rated amber based on this being supplementary to the good practice already in place with appointed investment managers who are charge with implementing the investment strategy.</i>
17.	Respond to requirements from the Spring budget including additional disclosures	Superseded This has now been superseded by the Government's consultation on LGPS investments.

Ref	Activity	Delivery
18.	Engage in discussions prompted by the Spring budget relating “unlocking” LGPS investment.	Superseded As above.
19.	Consider further guidance relating to LGPS investments in Levelling Up / private equity.	Superseded As above.
20.	Work with sub fund and other managers to develop a Stewardship Report which develops Task Force on Climate-Related Financial Disclosures (TCFD) and Task Force on Nature-Related Financial Disclosures (TNFD) reporting	In progress (multi-year) Carbon related non-financial disclosure information reported in 2023/24 Annual Report. Additional future reporting needs to be considered. <i>This has been rated amber based on this being supplementary to the good practice already in place with appointed investment managers who are charge with implementing the investment strategy.</i>
21.	Establish different Environmental, Social and Governance risks and opportunities (metrics and visibility of engagement).	In progress (multi-year) A framework for engagement is being developed by officers, based on advice from the industry but paused until the developing direction of Government’s consultation on LGPS investments is better understood. <i>This has been rated amber based on this being supplementary to the good practice already in place with appointed investment managers and the asset pool who are charged with implementing the investment strategy.</i>
22.	Develop a framework which supports and evidence active stewardship.	In progress (multi-year) As above.
23.	Participate in development of a pooled solution for the management of:	

Ref	Activity	Delivery
	Private equity.	In progress (multi-year) Adams Street and Harbour Vest have been appointed to provide private equity solutions for the ACCESS pool. Implementation opportunities will need to be considered in the context of Government's consultation on LGPS investments and the management of legacy assets. No short-term requirements to commit based on current investment strategy.
24.	Private debt.	In progress (multi-year) Golub (for US) and Arcmont (Euope) have been appointed to provide private debt solutions for the ACCESS pool. Implementation opportunities will need to be considered in the context of Government's consultation on LGPS investments and the management of legacy assets. No short-term requirements to commit based on current investment strategy.
25.	Consider outcomes of review of pool governance.	Superseded A focused agenda item on pooling was included within the July 2024 Pension Committee. However the Government's consultation on LGPS investments means that pool governance will change going forwards.
26.	Develop training to supports understanding of the role of the ACCESS Joint Committee	Superseded As above.
27.	Consider enhancements to the connection between local and pool Committee.	Superseded As above.
28.	Review employer data and other Fund data such as payment of historic refunds in preparation for the 2025 valuation.	In progress (multi-year) An Advanced Data Review has been completed. <i>This has been rated amber based on the evolving nature of data improvement work and the valuation data being extracted in June 2025.</i>

Ref	Activity	Delivery
29.	Work with the Fund Actuary in preparation for the 2025 Valuation and consider tools needed to manage volatility, the contribution rate strategy and how future liability is funded.	In progress (multi-year) Detailed funding and investment review work considered by the Committee in January 2025. Updates to the Funding Strategy Statement are covered elsewhere.
30.	Set out clear messaging to employers.	In progress (multi-year) Targeted employer communication to be sent in December 2024 and initial employer forums held in February 2025.
31.	Initial review of Funding Strategy Statement	In progress (multi-year) Updates to the Funding Strategy Statement are covered elsewhere.
32.	Develop framework to actively monitor funding positions for shorter term or other admitted bodies.	In progress (multi-year) A request for proposals has been published. <i>This has been rated amber based on the appointment being in time to support the valuation process.</i>
	Implement framework as business as usual	In progress (multi-year) This will follow the determination of a framework. <i>This has been rated amber based on oversight through active conversations with employers during the inter valuation period and arrangements being put in place to support in future years.</i>
33.	Engage in discussions prompted by the Pensions Review relating to consolidation and “unlocking” LGPS investment.	Delivered A response was provided to the initial call for evidence in September 2024. Officers attended engagement sessions led by HMT and MHCLG.
34.	Engage in discussions prompted by the Government’s consultation on Local Government Pension Scheme (England and Wales) Fit for the future relating to LGPS asset pooling, LGPS and pool governance and local investment.	In progress (multi-year) Response provided to consultation. Government’s response is awaited. <i>This has been rated amber based on activity in relation to asset pooling being developed to deliver to the 31 March 2026 deadline proposed in the consultation and aspects relating to governance being in line with expectations and developing practice.</i>

Admin and communication

Ref	Activity	Delivery
35.	Work with administration team and Fund Actuary to prepare Data Improvement Plan (Pensions Dashboards Programme (PDP), McCloud and Guaranteed Minimum Pension (GMP))	See # 21.
36.	Complete readiness review against the PDP.	Delivered Initial review undertaken and no further action for the team currently.
	Determine any actions required to meet October 2025 implementation. Report on compliance and action plan	In progress (multi-year) Readiness checklist will be kept under review. . <i>This has been rated amber based on the deliverability for the October 2025 deadline.</i>
	Implement actions / provide regular updates	In progress (multi-year) As above
	Provide training and guidance to employers.	In progress (multi-year) As above
37.	Develop surveys for employer and / or members.	Carried forward (de-prioritised) Consideration being given to topics which provide insight to improve and measure satisfaction and pension awareness. <i>This has been rated amber based on any survey results providing insight for future development, rather than core to current service delivery.</i>
38.	Work with the Communications Delivery Partner (Clay 10) to: review existing communications.	Delivered Communications audit completed . Future development reflected within administration strategy review and in work being developed between Clay 10 and officers.
	develop a 'in-house style' and branding.	Delivered Branding and style guide developed by Clay 10.

Ref	Activity	Delivery
	consider the future web presence.	In progress (multi-year) Initial proposals on website being developed by Clay 10 for launch in spring 2025. <i>This has been rated amber based on conscious delay to align with wider County Council provider.</i>
	deliver a campaign about pension benefits	Carried forward (timing) This will be developed for Annual Benefit Statements in August 2025. <i>This has been rated amber based on appropriate timing for a campaign aligning with the publication of annual benefit statements.</i>
39.	Actively participate in the County Council's activities to implement the new business management system.	In progress (multi-year) A refreshed programme to implement Oracle Fusion has been agreed, based on a model of 'adopt not adapt.' The go-live is planned between December 2025 – April 2026. <i>This has been rated amber based on the wider programme deliverables being multi year.</i>

APPENDIX 2

The following pages provide examples of core business-as-usual activities which are important to ensure that the pension fund complies with its responsibilities as administrator of the Pension Fund.

Governance

- Statutory accounts
- Annual report
- Statutory returns
- Internal audit
- Committee reporting
- Board reporting
- Training
- Control reports
- Contract management
- General Code of Practice compliance
- Breach reporting

Investment and funding

- Banking
- Monitoring payments and receipts
- Budgeting
- Ill health monitoring / insurance
- IAS19 reporting
- Contribution monitoring
- Liability monitoring
- Covenant reporting
- Outsourcing / insourcing support
- Employer mergers
- New employer admissions
- Ceasing employers
- Longevity monitoring
- Employer annual returns
- Tax and tax filing
- Investment performance
- Drawdowns and distributions
- Employer recharges
- Bond assessments
- Bulk transfers

- Asset pooling
- Cashflow monitoring

Admin and communication

- Employer communications
- Member data maintenance
- Retirements
- Leavers
- Joiners
- Deaths
- Pensions payroll
- Divorce
- Redundancy
- Individual transfers
- Personal tax
- AVC's
- Discretions

APPENDIX 3

The Pensions Committee's focus is on the delivery of the required services and fulfilment of responsibility rather than the specifics of roles.

The Executive Director of Finance and Support Services has responsibility to ensure that there are sufficient resources in place to do this.

The Head of Pensions and their team (equivalent to 8.81 FTE) supports the Executive Director of Finance and Support Services. This includes key functions such as investment, administration, employer liaison, communications and fund accounting.

The team also supports the County Council in discharging its responsibilities as Scheme Manager to the Firefighters Pension Schemes.

Operational sustainability is important. There is a need to ensure that the specialist knowledge and understanding of the team keeps pace with the ever changing and increasingly complex regulatory requirements of the LGPS, and it is recognised that there has been an increase in the workload of the team because of legislative changes, most notably asset pooling.

The team are encouraged to consider opportunities for professional training, work with third parties to support continuous improvement and development of best practice and develop within the team.

The Pensions Team also utilise resource and expertise from other areas of the County Council – for example treasury management, IT or legal services.

The anticipated costs for 2025/26 are summarised on the following pages.

INVESTMENT MANAGEMENT FEES

Investment manager fees do not include any growth on the portfolios during 2025/26. However additional investments in private equity and private debt, which incur higher fees have been modelled into the projection.

	2023/24 £'000 Outturn	2024/25 £'000 Projection	2025/26 £'000 Forecast
Estimated investment manager fees	27,485	27,457	34,100
Total	27,485	27,457	34,100

ADMINISTRATION

Administration costs in 2025/2026 include an allowance for the annual pay award. The exact increase is to be confirmed. Administration costs in 2025/2026 are equivalent to £14.25 per member based on membership numbers as at March 2025.

	2023/24 £'000 Outturn	2024/25 £'000 Projection	2025/26 £'000 Forecast
Business As Usual pension benefit administration	1,064	1,272	1,200
Project costs (e.g. Pensions Dashboard, McCloud, Data Quality)	51	86	100
Total	1,115	1,358	1,300

OVERSIGHT AND GOVERNANCE

The impact of the Government's *Fit for the Future* consultation are not known at this stage. Costs relating to the ACCESS pool have been included reflecting its Business Plan and Budget for 2025/26. Additional expenditure should be expected.

No allowance has been made for external legal costs in 2025/2026 (although external legal costs incurred have been included in prior year outturns / projections).

	2023/24 £'000 Outturn	2024/25 £'000 Projection	2025/26 £'000 Forecast
Actuary Fees	206	237	250
External audit fees	96	106	110
ACCESS Support Unit fees	146	205	1,210
Training costs	33	55	60
Legal Charges (External & Internal)	275	355	130
Other Advisory	165	134	180
Core Pension Fund Staff	549	558	610
WSCC Finance Staff	47	49	50
Internal Audit	12	7	10
Democratic Services	29	29	-
Procurement Support	45	8	8
Other	69	82	60
Total	1,672	1,825	2,678