

**Report to:** Pension Board

**Date of meeting:** 11 September 2025

**By:** Chief Finance Officer

**Title:** Pension Reform Agenda

**Purpose:** To provide an update on changes effecting Local Government Pension Schemes and the East Sussex Pension Fund

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## **RECOMMENDATION:**

**The Pension Board is recommended to note the updates in relation to next steps for the East Sussex Pension Fund in terms of pension fund pooling as set out in this report.**

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### **1. Background**

- 1.1 The report has been prepared to update the Pension Board on the government's proposed changes to pension fund pooling, highlighting the key proposals and the government's response to the proposal put forward by the ACCESS pool.
- 1.2 Officers have extensively covered the background to the 'Fit for the Future' consultation and the requirements the Fund must comply with by 31 March 2026. Full details can be found in [previous reports at agenda item 6](#).
- 1.3 Board members will be aware that, following the decision by government not to support the proposal put forward by the ACCESS pool to comply with the requirements of the 'Fit for the Future' consultation, officers have been working extensively with advisors and officers from the West Sussex Pension Fund (recognising the impact of proposed devolution and new Mayoral Combined County Authority for Sussex and Brighton) to identify a new pooling partner for the Fund.

### **2 Indication of Preference to Join with Border to Coast Pension Partnership**

- 2.1 Following extensive due diligence work carried out from April 2025 in conjunction with officers from the West Sussex Pension Fund and Barnett Waddingham (who acted as adviser to both East and West Sussex) a report was considered by the Pension Committee at its meeting on 24 July 2025. An evaluation of all the options available to the Fund with regard to investment pooling was presented to the Committee, who approved the Officers' recommendation that the Fund agree to focus all further due diligence on the Border to Coast Pension Partnership ("BCPP"). The Pension Committee of West Sussex Pension Fund resolved to approve the same recommendation.
- 2.2 Extensive detail in relation to the due diligence work carried out on the pooling options available, scoring criteria and rationale for any recommendations made can be found in the report to the [Pension Committee meeting dated 24 July 2025](#) under exempt agenda item 7 and associated appendices.
- 2.3 BCPP have been informed of the Fund's preference and are happy to welcome both East and West Sussex Pension Funds into the partnership, as are the current partner funds of BCPP.

- 2.4 Officers have also informed other pools of the preference expressed by the Fund as well as advising government in a call on 10 August 2025. Government have not provided any indications that are contrary to supporting the preference expressed.
- 2.5 A public statement was also released by BCPP of behalf of the Fund on Monday 14 August 2025 and the Fund also provided internal and external communications to the relevant stakeholders.
- 2.6 Officers will continue to carry out due diligence in conjunction with Barnett Waddingham and West Sussex Pension Fund, but this due diligence work will focus solely on BCPP.
- 2.7 At the Pension Committee meeting on 25 September 2025, provided the further due diligence work carried out further supports the recommendation for the Fund to join BCPP, the Committee will consider a final recommendation in relation to the Fund's pooling intentions and consider a recommendation to seek approval and delegation from Full Council in relation to the Fund joining BCPP and the necessary work that will be required to be carried out. Officers will continue to work extensively with all parties to ensure the Fund is compliant with the prevailing regulations by 31 March 2026.

### **3 Moving Forward and Dissolution of the ACCESS Partnership**

- 3.1 East and West Sussex are part of a group of seven ACCESS partner funds that have indicated a preference for moving to BCPP. The other partner funds expressing a preference for BCPP are Cambridgeshire, Essex, Hertfordshire, Kent and West Northamptonshire. Therefore, this group represents a majority of ACCESS partner funds both in terms of asset size and number of partner funds. Officers for East and West Sussex will work with officers from these partner funds to collectively complete the necessary documentation to allow the funds to join BCPP as a shareholder by 31 March 2026.
- 3.2 The 4 remaining ACCESS partner funds – Norfolk, Hampshire, Isle of Wight and Suffolk have expressed a preference to join LGPS Central. Therefore, as a collective pool, ACCESS will now start to work towards its dissolution. Officers are working with officers from partner funds and the ACCESS Support Unit (ASU) to determine how best to move forward. This is a detailed and complex process to determine the most cost-effective way to dissolve the collective partnership both from a legal and regulatory and operational perspective.

### **4. Conclusion**

- 4.1 The Board is recommended to note this report.

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