

PENSION BOARD

MINUTES of a meeting of the Pension Board held at Council Chamber, County Hall, Lewes on 4 November 2025.

PRESENT Ray Martin (Chair), Zoe O'Sullivan, Neil Simpson, Linda Hughes, Councillor Andrew Wilson and Philippa Buckingham

ALSO PRESENT Ian Gutsell, Chief Finance Officer
Susan Greenwood, Head of Pensions
Dave Kellond, Head of Governance and Compliance
Russell Wood, Head of Pension Investments and Accounting
Paul Linfield, Pensions Communications Manager
Paul Punter, Head of Pensions Administration
Sophie Webb, Governance and Democracy Manager

Barry McKay, Partner and Head of Public Sector Consulting – Barnett Waddingham
Alison Murray, Principal and Head of LGPS Governance – Barnett Waddingham
Karen Jamieson, Actuarial Consultant - Barnett Waddingham

Dillon Piggot, CIPFA Trainee / Apprentice
James Sweeney, Pensions Investment Officer
Joshua Baker, Pension Support Officer
Mariana Obetzanova, Pensions Training Coordinator
Michael Gillingham, CIPFA Accounts and Investments Apprentice
Mya Khine, Pensions Accountant

Councillor Gerard Fox, Chair of the Pension Committee

37. MINUTES OF THE MEETING HELD ON 11 SEPTEMBER 2025

37.1 The Board approved the minutes of the meeting held on 11 September 2025 as a correct record.

38. APOLOGIES FOR ABSENCE

38.1 Apologies for absence were received from Trevor Redmond.

38.2 It was noted that Zoe O'Sullivan sent apologies for the beginning of the meeting and was present from 10:05 at item 6 (minute 43).

38.3 Linda Hughes was present from 10:03 at item 4 (minute 40).

39. DISCLOSURE OF INTERESTS

39.1 There were no disclosures of interests.

40. URGENT ITEMS

40.1 There were no urgent items.

41. REPORTS

41.1 Reports referred to in the minutes below are contained in the minute book.

42. PENSION COMMITTEE AGENDA AND SUMMARY OF PREVIOUS MINUTES

42.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions.

42.2 The report provided an opportunity for the Board to comment on the draft agenda for the Pension Committee meeting due to be held on 18 November 2025 together with a summary of the minutes of the previous Pension Committee meeting held on 25 September 2025.

42.3 The Board noted that in addition to the reports considered by the Pension Board, the Pension Committee will receive an Investment report.

42.4 The Board RESOLVED to note the draft agenda for the next Pension Committee meeting and the summary of the minutes for the previous Pension Committee meeting.

43. PENSION REFORM AGENDA

43.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions.

43.2 The following points were highlighted to the Board:

- 1) In relation to the governance process for the Fund to join Border to Coast Pension Partnership (BCPP) and leave the ACCESS pool, a review of the Pension Committee's terms and reference has been completed, and officers are satisfied that there is suitable delegation for the Pension Committee to take decisions in relation to the transition.
- 2) There remains a focus on governance and a number of documents which are required to be signed on behalf of East Sussex County Council in order for the Fund to become a member. These documents have been reviewed by external legal advisors and include The Shareholder Agreement, Inter-Authority Agreement and the Articles of Association of BCPP.
- 3) The Pension Committee will consider a recommendation that seeks approval to sign the documentation that will allow the Fund to become a member of BCPP at its meeting on 18 November 2025.
- 4) There is more work for officers to complete in terms of movement of assets.
- 5) In terms of the dissolution of ACCESS, a Memorandum of Understanding (MOU) has been drafted while the Inter-Authority Agreement is revised. The MOU has been reviewed by partner Funds and sets out terms and protocols to move towards the dissolving of ACCESS while ensuring equity and fairness.
- 6) Work is moving forward within expected timeframes and it is expected that the 1 April deadline will be met.

43.3 The Board discussed the Fund's legal position in relation to the move from ACCESS to BCPP including the MOU in place with the six other funds moving in the same direction and the Inter-Authority Agreement with all ACCESS funds.

43.4 The Board noted that the Fund remains a sovereign fund meaning legal advice can be sought by the Fund on behalf of the Fund, if required, however a successful partnership approach is in place allowing positive engagement between section 151 officers, monitoring officers, the Chief Executive of BCPP.

43.5 The Board acknowledged that there is a level of risk associated with the changes in terms of governance and asset transfer and were assured that the risks will be mitigated through regular monitoring and collaboration.

43.6 The Board discussed how the transition from ACCESS to BCPP can be achieved in terms of being cost-effective and in the best interests of the scheme members and acknowledged that the costs involved are not yet known however will be reported to the Board and Pension Committee as the transition evolves.

43.7 The Board RESOLVED 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 the report.

44. GOVERNANCE REPORT

44.1 The Board considered a report by the Chief Finance Officer introduced by Dave Kellond, Head of Governance and Compliance together with exempt information contained in a later agenda item.

44.2 The following points were highlighted to the Board:

- 1) A new consultation launched 13 October on access and protections following the consultation on access and fairness which took place in May 2025.
- 2) This new consultation focuses four key areas: changes to normal minimum pension age increasing from 55 to 57 and the protections available for members who joined the scheme before 4 November 2021; Local Government Pension Scheme (LGPS) access for councillors, mayors and deputy mayors; multi-academy trusts which have academies within 2 or more LGPS being able to apply to consolidate their participation into a single fund where they can evidence that it would provide value for money; and, the New Fair Deal which includes the removal of the option to offer a broadly comparable scheme for eligible members transferred to a new employer and a deemed employer approach for contractors.
- 3) A Ministerial Statement on the previous consultation in May has been published stating that full responses to the access and fairness consultation will be published later this year.
- 4) The ongoing consultation on access and protections closes on 22 December 2025 and full responses on behalf of the Fund will be shared with the chairs of the Pension Board and Pension Committee prior to submitting.
- 5) In line with the regulations, the Pension Administration Statement has been reviewed and proposed updates are set out in Appendix 2 and Appendix 3 of the report for consideration ahead of consultation with employers.
- 6) The Pension Administration Strategy was last agreed in 2023 and the key areas of change involve communications referencing the Communications Strategy, legal deadlines for processing casework, reporting that takes place for Pension Board and Pension Committee around casework targets.
- 7) The Pension Administration Strategy will need to be reviewed again following regulatory changes and it is anticipated that a further review will take place in 12 months' time.

44.3 The Board discussed how the New Fair Deal's deemed employer approach and how that would affect contractors and scheme members and noted that this approach is not dissimilar to the current approach and could allow for new employees joining a contractor to become a member of the scheme.

44.4 The Board requested that the wording within the draft Pension Administration Strategy is updated to strengthen the position of i-Connect being the default means for the transfer of employee information from employers to the Fund.

44.5 The Board discussed the importance of Pension Board and Pension Committee Member engagement with training and development and the Chair requested that strong effort is made by all Board Members to return the self-assessment to the Fund's training coordinator.

44.6 The Independent Chair informed the Board that it is his intention to retire following the November 2026 meeting of the Pension Board.

44.7 The Board RESOLVED to:

- 1) Note the legal and regulatory changes as set out in the report;
- 2) Note the updated Pension Administration Strategy as set out in Appendix 2 of the report and request the update detailed at minute 44.4 prior to the launch of consultation with employers;
- 3) Note the updates in relation to Pension Board Member training; and
- 4) Note that Officers will be initiating a process to replace the Independent Chair in the context of any Governance changes that may be required from the “Fit for the Future” consultation.

45. EAST SUSSEX PENSION FUND QUARTERLY BUDGET REPORT

45.1 The Board considered a report by the Chief Finance Officer introduced by Russell Wood, Head of Pension Investments and Accounting.

45.2 The following points were highlighted to the Board:

- 1) The budget was approved at £4.645m and the forecast outturn at the end of quarter 2 is £4.755m giving a variance of £110,000 overspend and is primarily due to costs linked to the ‘Fit for the Future’ consultation.
- 2) The investment advice line has been increased by £97,000 reflecting the investment advice sought by Barnett Waddingham to assist in the process of assessing the viable pooling options for East and West Sussex Pension Funds in determining the most appropriate pooling partner and revised costs from ACCESS in managing the wind down until the end of March 2026.
- 3) £50,000 has been added to the actuarial fund line in anticipation of the work required in line with Local Government reorganisation.
- 4) There is an additional £50,000 added to the consultancy line due to unforeseen work regarding the Guaranteed Minimum Pension rectification project however these costs have been offset by a reduction to staff costs due to the senior management restructure.
- 5) There will be further costs around pooling which have not yet been included including costs regarding reviewing of documentation to join Border to Coast Pension Partnership.

45.3 The Committee RESOLVED to note the second quarter projected 2025/26 outturn position.

46. EMPLOYER ENGAGEMENT AND COMMUNICATIONS REPORT

46.1 The Board considered a report by the Chief Finance Officer introduced by Paul Linfield, Pensions Communications Manager.

46.2 The following points were highlighted to the Board:

- 1) There have been 24 late payments of employer contributions from October 2024 to September 2025 and 3 late payments occurred in September which was primarily due to the fact that the 19th of the month fell on weekend and employers did not leave enough time for payments to clear. Officers will address this issue going forward via additional reminders.
- 2) The Employer Engagement team continue to assist the accounts team in relation to FRS102 and IAS19 accounting reports.
- 3) All 18 scheme member training session have been delivered meaning that training has been provided to 1,115 contributing scheme members. Feedback for each session was received and a total of 94% of attendees rated the training excellent or good. 42% said their knowledge improved a lot and 54% said their knowledge improved a little.
- 4) The Employer Forums is due to take place on Thursday, 13 November which has approximately 60 registrations. The main focus of the Employer Forum will be the valuation and with an opportunity for employers to ask questions to Barnett Waddingham regarding the valuation and contribution rates.
- 5) Registrations to 'My Pension' are increasing steadily and is ahead of the previous system in all categories apart from deferred.
- 6) Communications were sent out to anyone with an existing Additional Voluntary Contribution to inform them of the change of default fund.

46.3 The Board discussed member engagement with 'My Pension' together with engagement with member training and enquired after engagement statistics by employer to determine which employers may need additional support to promote engagement from their employees.

46.4 The Board RESOLVED to note employer engagement and communications updates detailed in the report.

47. PENSIONS ADMINISTRATION - UPDATES

47.1 The Board considered a report by the Chief Finance Officer introduced by Paul Punter, Head of Pensions Administration.

47.2 The following points were highlighted to the Board:

- 1) The performance of Pension Administration Team in this quarter is rated green across all areas and in terms of overall target which first time this has been achieved since the performance measures were introduced.

- 2) The Helpdesk has lost a member of staff however it is not intended to replace them since the number of calls has decreased as self-service is improving.
- 3) The Helpdesk is still awaiting updated call-centre technology.
- 4) There are currently 3 vacancies (including one temporary vacancy due to maternity leave) within the Pension Administration Team. While it is planned to recruit for an i-Connect administrator, the other vacancies will be covered by the existing team.
- 5) Project work in relation to the Pension Dashboards and Annual Allowance is complete and the digital assistant project is progressing in terms of assessing the findings of work around questions ahead of the next phase of development.

47.3 The Board acknowledged the progress with the digital assistant noting that the results of testing will be submitted to the provider ahead of launching phase 3 of the project.

47.4 The Board acknowledged the increasing performance of the administration team since administration was brought in-house and highlighted the importance of succession planning for the in-house team.

47.5 The Board RESOLVED to note the Administration Update Report.

48. DRAFT ANNUAL REPORT AND ACCOUNTS 2024/25

48.1 The Board considered a report by the Chief Finance Officer introduced by Ian Gutsell, Chief Finance Officer.

48.2 The following points were highlighted to the Board:

- 1) The draft findings report from external auditors Grant Thornton on the audit of accounts for the East Sussex Pension Fund anticipates an unqualified audit opinion.
- 2) The audit will be concluded in February 2025 together with the audit of the County Council's accounts.
- 3) The draft Annual Report and Accounts will be considered by the Pension Committee ahead of publication on 1 December 2025.

48.3 The Board requested that wording in relation to the proposal for the Fund to move from the ACCESS pool to Border to Coast Pension Partnership is considered for inclusion within the Annual Report and Accounts 2024/25.

48.4 The Board RESOLVED to:

- 1) note the draft Pension Fund Annual Report and Accounts 2024/25; and
- 2) note the East Sussex Pension Fund Audit Findings Report provided by Grant Thornton.

49. PENSION FUND RISK REGISTER

49.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions.

49.2 The following points were highlighted to the Board:

- 1) The Key Person risk (G1) has a reduced post-mitigation score following a senior team restructure including the decision to not replace the Deputy Head of Pensions role and recruiting an officer who has previously worked for the Fund bringing prior knowledge and experience into the team.
- 2) The risk scores have not changed for the Cybersecurity risk however work in this area is moving forward having identified an advisor to provide support regarding training and business continuity planning.
- 3) Pooling remains the dominant risk to the Fund.

49.3 The Board discussed Key Person risk G1 and noted that the new structure in place for senior officers working for the Fund provides for suitable deputisation and oversight of the Fund.

49.4 The Board discussed the potential risks associated with investment performance as the Fund transitions from the ACCESS pool to a new pooling partner and were provided assurance that minimising the cost of transition is a priority for all involved and that any movement is likely to be phased.

49.5 The Board RESOLVED to note the Pension Fund Risk Register.

50. WORK PROGRAMME

50.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions.

50.2 The following points were highlighted to the Board:

- 1) Opportunities for training are listed within the Work Programme for members of the Pension Board and Pension Committee.
- 2) There may be a higher level of training commitment required of members as part of the legislative changes anticipated in the near future.

50.3 The Board noted that the training offer includes both generic and specific courses and workshops available for both Pension Board and Pension Committee Members to attend.

50.4 The Board RESOLVED to note the work programme.

51. EXCLUSION OF THE PUBLIC AND PRESS

51.1 It was RESOLVED to exclude the public and press for the remaining agenda items on the grounds that if the public and press were present there would be disclosure to them of exempt information as specified in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

52. ACTUARIAL VALUATION REPORT

52.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood and Head of Pensions, Barry McKay, Partner and Head of Public Sector Consulting – Barnett Waddingham.

52.2 A summary of the discussion is set out in an exempt minute.

52.3 The Board RESOLVED to note the report.

53. ILL HEALTH BENEFITS

53.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions and Alison Murray, Principal and Head of LGPS Governance – Barnett Waddingham.

53.2 A summary of the discussion is set out in an exempt minute.

53.3 The Board RESOLVED to note the report.

54. GOVERNANCE REPORT - EXEMPT INFORMATION

54.1 The Board considered a report by the Chief Finance Officer introduced by Dave Kellond, Head of Governance and Compliance which contained exempt information in relation to an earlier item on the agenda.

54.2 The Board RESOLVED to note the report.

55. PENSION FUND BREACHES LOG AND INTERNAL DISPUTE RESOLUTION
PROCEDURE CASE REPORT

55.1 The Board considered a report by the Chief Finance Officer introduced by Dave Kellond, Head of Governance and Compliance.

55.2 The Board RESOLVED to note the report.

56. EMPLOYER ADMISSIONS AND CESSATIONS REPORT

56.1 The Board considered a report by the Chief Finance Officer introduced by Susan Greenwood, Head of Pensions.

56.2 A summary of the discussion is set out in an exempt minute.

56.3 The Board RESOLVED to note the report.

(The meeting ended at 12.33 pm)

CHAIRMAN