To:	The Chief Constables of Surrey & Sussex Police
From:	Chair of the Joint Surrey and Sussex Police Pension Board
Subject:	Pension Board Annual Report
Date:	15/06/2026

Purpose of Report:

This report sets out the key activities of the Joint Surrey and Sussex Police Pension Board for the period 1st April 2025 to 31 March 2026, its membership and attendance record, summary of work completed and the proposed work plan for the year ahead.

Recommendations:

- To note the extensive work of the Board during the year.
- To thank the Board members and advisors for their diligent work and commitment in support of the Scheme Manager.
- To note the Joint Surrey and Sussex Police Pension Board is working effectively.
- To share the approved report with the Chair of the National Police Scheme Advisory Board.

Surrey and Sussex Police – Joint Pensions Board

Annual Report 2025/2026

Report by Raff Cioffi, Deputy Chair of the Joint Police Pensions Board

1 Introduction

Individual Surrey and Sussex Police Pension Boards were established on 1 April 2015, according to section 5 of the Public Service Pensions Act 2013 and Regulation 13 of the 2015 Police Pension Regulations, to assist the Scheme Manager. In the interests of efficiency and to match the collaboration between the two forces, they were merged to become a Joint Surrey and Sussex Board in April 2021.

During this last year the Board has continued with a comprehensive and busy workplan dealing with a wide range of topics. The Joint Board has been chaired by Deputy Chair Raff Cioffi, Federation Representative for Sussex apart from the June meeting which was chaired by Iain McCullock Chief Finance Officer of the Sussex Office of Police and Crime Commissioner (OPCC).

This report sets out the key work undertaken by the Joint Board over its four formal meetings held during the year in June, October, and December 2025 and in March 2026. All meetings have been held via video conference to ensure the greatest level of attendance across both Forces.

2 The Pension Schemes Overseen

There are three pension schemes that are managed by the Joint Board. These, together with a summary of the benefits payable under each of the schemes, are set out in Appendix 1.

The Pension Scheme is administered by the Chief Constables of Surrey and Sussex in accordance with the Police Pension Fund Regulations 2007 (SI 2007 No 1932).

Day to day administration of the schemes was undertaken by XPS. All Pension payments, calculated by the administrator, are made from the respective Chief Constable's Police Pension Fund Account.

Benefits amounting to £171m were paid during the year to pensioners. Just over £32m of this was contributed by members and a further £86m paid by Forces. The remaining shortfall of £53m for the year was paid directly by Government out of general taxation as they underwrite the scheme members' current and future benefits. The pension fund accounts are published in the Statements of Accounts 2025/26, and an extract is shown below in Table 1 and Table 2. At the time of writing these Statements of Accounts were subject to Audit.

Table 1 - Sussex Police Pension Fund Account Statement

As at March 2025			As at March 2026	
£000	£000		£000	£000
		Contributions Receivable		
		From Employer:		
(45,839)		- Normal	(47,726)	
(1,033)		- Early Retirements	(774)	
(18,013)		From Members	(18,654)	
	(64,885)			**(67,154)**
		Transfers In		
	(257)	Individual Transfers in From Other Schemes		(503)
	(65,142)	**Total Inflows**		**(67,657)**
		Benefits Payable		
89,673		Pensions	92,420	
15,184		Commutations and Lump Sums	18,422	
167		Lump Sum Death Benefits	196	
	105,024			**111,038**
		Payments To and On Account of Leavers		
231		Refund of Contributions	186	
654		Individual Transfers out From Other Schemes	511	
	885			**697**
	105,909	**Total Outflows**		**111,735**
	40,767	**Net amount payable for the year from the Group (equal to deficit amount)**		**44,078**
	(40,767)	Additional contribution from the Group to fund the deficit for the year		(44,078)
		Net Amount Payable for the Year		

Table 2 - Surrey Police Pension Fund Account Statement

As at March 2025			As at March 2026	
£000	£000		£000	£000
		Contributions Receivable		
		From Employer:		
(33,687)		- Normal	(35,859)	
(298)		- Early Retirements	(1,337)	
(12,836)		From Members	(13,650)	
(362)		McCloud Receipts	(29)	
	(47,183)			**(50,875)**
		Transfers In		
	(64)	Individual Transfers in From Other Schemes		**(11)**
	(47,247)	**Total Inflows**		**(50,886)**
		Benefits Payable		
49,793		Pensions	51,516	
4,848		Commutations and Lump Sums	6,908	
246		Lump Sum Death Benefits	175	
240		Lump Sum Ill-health Benefits	1,400	
	55,127			**59,999**
		Payments To and On Account of Leavers		
241		Refund of Contributions	134	
53		Individual Transfers Out To Other Schemes	98	
	294			**232**
	55,421	**Total Outflows**		**60,231**
	8,174	**Net amount payable for the year from the Group (equal to deficit amount)**		**9,345**
	(8,174)	Additional contribution from the Group to fund the deficit for the year *		**(9,345)**
	0	**Net Amount Payable for the Year**		**0**

Note: Any deficit on the fund is paid by Home Office by way of a special Top-Up pension grant. Conversely, if the fund was in surplus this would be returned to the Home Office as a payment. This is not the same as the Police Pension Grant which is a fixed sum paid annually and is given to offset part of the cost to Forces of employer's contributions to the scheme.

3 Governance and Compliance

The Board continued to monitor compliance with pension legislation during the year to ensure that its processes and policies were compliant.

Breaches: Are included as a standing item each Board agenda. No material breaches were reported in this financial year. At the June meeting the Board were informed that two non-material breaches had occurred when members had contacted the scheme administrator to amend their contact information but had failed the verification process. Their P60's had been issued to their original addresses held in the system. A failure to deliver to remedy and Remediable Service Statements (RSS) by the 31st of March and the application of section 29(10b). At the same meeting the Board were also informed of a further 27 non-material breaches regarding P60's which had been sent to incorrect addresses, the member details had been suppressed in the system as mail had previously been returned as 'not known' or 'gone away'. It had come to light that this suppression to the system had only applied to bulk emails so the P60's had still been issued to the contact details held in the system. Each member was contacted individually to advise of the breach and to obtain their current contact details. The Pensions Regulator (TPR) was contacted to advise them of the non-delivery of the RSS and Section 29.

Risk register: The risk register is updated quarterly and reviewed at each meeting. In the period covered by this report there were no Risks removed.

> 4.5 Pension Remedy/McCloud – although the risk remains the same, the number of people subject to remedy would decrease over time, at the meeting in March the Board agreed that this risk would now be transferred to the scheme administrator and the description of the risk updated.
>
> 5.1 Risk of successful cyber-attack – in January 2026, the scheme administrator has successfully implemented the move to an internal administration software platform which should help reduce the risk.

Terms of Reference (TOR) & Board Policies and Procedures: The Board Terms of Reference (TOR) and policies and procedures had been reviewed and approved by both Scheme Managers. The Board agreed to adopt the TOR and policies and procedures at the June 2025 meeting. Members agreed to continue to meet virtually for the time being, ensuring better attendance at the meetings. This continues to be kept under review.

Budget, Fees, and expenses: The Fees and Expenses Policy and procedure were reviewed at the June meeting. Only Board members who are not employed by the Force or the OPCC can make a claim for travel and subsistence from the budget allocated to the Board as they are able to claim through their own Forces travel and subsistence scheme. No claims for travel or subsistence were submitted against this budget in 2025/2026.

4 A Summary of the work of the Board 2025/2026

It was a busy year for the Joint Board; highlights of the year were as follows:

Joint Work Plan: The work plan was updated quarterly and reviewed at every meeting. See March 2026 Workplan - Appendix 2.

Monitoring The performance of the current pension administrator XPS: The scheme administrator is required to submit a quarterly report summarising their work and performance against the Key Performance Indicators (KPIs).

McCloud Pension Remedy: The Board were kept abreast of progress; work continued to make sure the data held was as accurate and up to date as possible but obtaining historic data had proved challenging.

Statement issuance: The Board monitored the progress of the statement issuance throughout the year. As of the end of December, all Immediate Choice (IC) RSS statements had been issued although 3 Surrey and 3 Sussex members records were found to contain errors created at the point of retirement by the previous Scheme Administrator. The reasons for the errors had been identified by XPS and the calculations corrected; the individual members have been contacted to advise and to discuss next steps. As of the end of January, 99.61% for Surrey and 99.94% 2025 Active Annual Benefit Statements (ABSs) had been issued and 99.88% for Surrey and 99.8% for Sussex of the ABS/RSS statements had been produced. For the Deferred Benefit Statements (DBSs) & DBS-RSS 73.84% for Surrey and 83.58% for Sussex had been produced.

Service Delivery: XPS successfully transitioned to their own software platform in January 2026, this was a huge undertaking and during the transition the KPIs and SLAs dropped slightly for tasks that sat outside of the priority group (member payments, retirements and calculations, and deaths). At the March meeting the Board were informed that work was ongoing in the background to recover.

Member Engagement: The '[My Pension portal'](My Pension portal) has only been live since February 2026, to date the sign up from Surrey and Sussex members has been impressive.

Evans & Ashcroft: Historic data issues continued to be a cause for concern and discussed at each meeting. A scanning project of historic data had been completed, and this data is now available to the Scheme Administrator. The Surrey/Sussex Pensions Team are currently collating member paperwork as part of a mini scanning exercise to be shared with XPS for review to ascertain whether this will assist with this project.

GMP Reconciliation & Equalisation: Guaranteed Minimum Pension Reconciliation / Rectification Project had been paused as the Reconciliation Phase was completed as McCloud Remedy had to take priority. The McCloud Remedy project continues with the implementation for IC member elections and analysis of those members who may fall into the category of a 'deemed election.'

Complaints: The Board receive a quarterly update on the number of complaints received in each quarter and on what topics from the Scheme Administrator and the Surrey/Sussex Pensions Team. The number of complaints the Scheme Administrator had received had increased during the year but then reduced as work on Remedy continued and statements were issued. The total number of complaints received by XPS for 2025/2026 were 31 for Surrey and 42 for Sussex.

Bereavement Leaflet: Some changes had been suggested by the Board to the information leaflet sent out to bereaved partners of deceased members, to try and reduce confusion and distress at this difficult time. The National Association of Retired Police Officers (NARPO) Representatives of the Board had worked on the information published in the leaflet with the Scheme Administrators and the final document had been produced. At the October meeting it was confirmed that it was now being used by the Scheme Administrator in their correspondence to all widows and widowers and was also available on their portal. The leaflet had also been shared nationally with all NARPO representatives for their information when dealing with queries.

Monitoring members opt out rates: The Board continued to be concerned with the number of Officers opting out of their pensions and are aware of the strategic importance of retaining members, e.g. the impact on the scheme's demographics or overall health/future contribution rates. Pension Awareness training is included as part of the induction training for new and transferring Surrey and Sussex Officers and Pension Awareness workshops are offered to serving members of the scheme. For Membership details for 2025 see Appendix 3.

Ill Health Retirement: This is a standing item on the agenda and forms part of the Pensions Team quarterly update to the Board.

Contingent Decisions & Compensation Claims: No claims had been received outside of the set deadlines had been rejected. 44 applications had been received, 38 of which had been reviewed with one case that was on hold due to the opt-out contingent decision pause can now be progressed following the Ministerial Statement issued in March 2026. Awaiting Home Office decision regarding Compensation claims before these cases can be progressed.

Continued training for Pension Board Members: It is a requirement for Board members to receive and complete suitable training so that they can complete their roles as Board members effectively. A log is kept of all training attended by the members, and this is included on the agenda for each meeting. New members are asked to read The Pension Regulators guide to public Service Pension Boards and to complete the online course for Pension Board Members within 6 months of joining the Board. They are also asked to read and understand the Board TOR, policies, and procedures. Any further requests for training would be considered by the Chair.

Pensions Dashboard: XPS successfully connected to the MoneyHelper Pensions Dashboard before the deadline of the 31st of October 2025 and had received the confirmation connection certificate. Work continues with the data cleanse exercise ahead of the data available point.

Scheme Sanction Charges: Work is continuing to complete the work to identify those qualifying for a refund, to date 87 refunds have been made to Surrey pensioners and 290 Sussex pensioners.

Feedback by scheme member reps: This is now a standing agenda item allowing scheme members to have a voice at the Board and raise any concerns.

5 Board Matters

Board Meeting Frequency: The Board Terms of Reference require that the Board will meet four times in each calendar year on a three-monthly cycle. In the period covered by this report the Board met virtually on 26 June 2025, 1 October 2025, 18 December 2025 and 25 March 2026 and therefore fulfilled this requirement.

Board Membership and Attendance: Board members carry out a vital role in providing governance and supporting the Scheme Managers. The table in Appendix 4 sets out the attendance of each member during the period covered by this report.

Chair: The Federation Representative for Sussex was appointed as Chair for the period of this report and forms part of a 4-year rota between Surrey and Sussex.

Board Membership: There was no change to Board membership in the period coved by this report. One Board Member retired in February 2026. A replacement Board Member has been appointed and will attend the June 2026 meeting. Three Members had completed their 3 years on the Board as of the end of the financial year, they were reappointed to the Board for a further 3-year term.

Quorate: The quorum for decision making is 8 members including Chair or Deputy Chair. This is made up of an equal number of member and employer representatives. I am pleased to report the Board was quorate for all 4 meetings held in the period coved by this report.

Conflicts of Interest: No conflicts were declared in the period covered by this report. A register of interests is published on the Surrey and Sussex Police websites.

Costs incurred by the Board: The administration cost for the financial year 2025/2026 was £1.5k.

Finally, the Chair would like to thank all Board Members who provided challenge and scrutiny at the meetings they have attended and supported the work of the scheme administrator during the year. He would also like to thank the Joint Pension Board administrator, Mrs Rachel Lupanko, who has worked hard putting agendas and papers together, writing up the minutes and actions and assisting the Board as required. Rachel is due to retire in July 2026 so the administration of the Board will move to the Joint Surrey and Sussex Pensions Team at this point.

Appendix 1 - Pension Scheme Summary of Benefits

Please note: Both the 1987 and 2006 Police Pension Schemes (PPSs) are now closed. All serving officers were moved into the 2015 CARE scheme from 1 April 2022, following the McCloud/Sargeant judgement. The information in this table remains relevant only for understanding accrued benefits under the legacy schemes prior to that date.

Benefits payable under all three schemes are shown in tabular form below:

	Police Pension Scheme (PPS) (1987)	**New Police Pension Scheme (NPP) (2006)**	**Police Pensions Scheme 2015**
What is maximum pension	2/3 final salary, with option to exchange part of the pension for a lump sum	½ final salary plus fixed lump sum of 4 times the pension, with option to exchange part or all of lump sum for extra pension	Pension at retirement is the sum of each of the accrued pension pots, subject to revaluation at a rate of CPI +1.25% per year
Final salary basis	Pensionable remuneration is normally the average remuneration in the employee's final year	Earnings over the last ten years are taken into account via best average over 3 consecutive years	Scheme is a Career Average Revalued Earnings scheme
Length of service for maximum pension	30 years	35 years	No maximum length of membership
Earliest age to receive pension	Age 50 after 25 years of service Any age after 30 years of service Age 55 for less than 25 years of service Age 60 if leave service before compulsory retirement age with less than 25 years of service	Age 55 if remain in police service until that age Age 65 if leave police service before age 55 or opting out of the scheme	Age 60 if remain in police service until that age. State pension age if leave police service before age 60.
Pension increases	All pensions in payment, deferred pensions and children's pensions are increased annually in line with the Consumer Price Index.	All pensions in payment, deferred pensions and children's pensions are increased annually in line with the Consumer Price Index.	All pensions in payment, deferred pensions and children's pensions are increased annually in line with the Consumer Price Index.
How is pension accumulated	1/60 of final salary for first 20 years of service, plus 1/30 for final 10 years of service up to a maximum pension entitlement of 40/60.	1/70 of final salary for each year of service up to a maximum 50% of final pensionable after 35 years of service.	1/55.3th of pensionable earnings each year is added to the members' pension pot for each year of membership.

This Table reflects pension rules as applied to service accrued up to 31 March 2022. Since 1 April 2022, all active members have accrued under the PPS 2015 CARE scheme.

Category	Police Pension Scheme (PPS) 1987	New Police Pension Scheme (NPPS) 2006	Police Pension Scheme 2015
What is maximum pension	2/3 final salary, with option to exchange part of pension for lump sum	½ final salary + lump sum of 4x pension (exchangeable)	Sum of accrued pension pots, revalued annually at CPI +1.25%
Final salary basis	Final year's pensionable remuneration	Best average of 3 consecutive years in last 10	Career Average Revalued Earnings (CARE)
Length of service for maximum pension	30 years	35 years	No maximum
Earliest age to receive pension	50 after 25 years, or 50 - 60 depending on service length	55 (if in service); 65 (if left early)	60 (if in service); State Pension Age if left earlier
Pension increases	In line with Consumer Price Index (CPI)	In line with Consumer Price Index (CPI)	In line with Consumer Price Index (CPI)
How is pension accumulated	1/60 for first 20 years + 1/30 for final 10 years (max 40/60)	1/70 per year (max 50% after 35 years)	1/55.3rd of pensionable earnings added yearly
Current scheme status & McCloud remedy	**Closed** to future accrual. Benefits apply to service before 1 April 2022 only. Members moved to 2015 Scheme. Affected members can choose at retirement whether to receive legacy or 2015 scheme benefits for service from 1 April 2015 to 31 March 2022.	**Closed** to future accrual. Same McCloud provisions apply as for PPS 1987.	Active scheme for all members since 1 April 2022. Applies to all pensionable service from this date.

Appendix 2 – Work Plan March 2026:

Pensions Team Workplan.docx

Appendix 3 – Membership details 2025

Surrey Police

Membership	Period Ending 31/03/2025	Period Ending 30/06/2025	Period Ending 30/09/2025	Period Ending 31/12/2025
Active Members				
Total at period start	**2,317**	**2,379**	**2,383**	**2,398**
New Starters	94	36	63	14
New Leavers	28	22	38	43
Retirements	4	10	10	4
Death	0	0	0	0
Total at period End	**2,379**	**2,383**	**2,398**	**2,365**
Deferred Members				
Total at period start	**920**	**935**	**940**	**952**
New Deferred	20	19	24	23
New Leavers	2	4	8	3
Retirements	3	10	4	1
Death	0	0	0	1
Total at period End	**935**	**940**	**952**	**970**

Pensioner Members				
Total at period start	**2,395**	**2,403**	**2,429**	**2,447**
New Retirements	13	33	26	12
New Dependents	5	7	4	0
Notified (need further details)	3	2	4	5
Death/cessation	7	12	8	2
Total at period End	**2,403**	**2,429**	**2,447**	**2,452**
Total membership at period end	**5,717**	**5,752**	**5,797**	**5,787**

Sussex Police

Membership	Period Ending 31/03/2025	Period Ending 30/06/2025	Period Ending 30/09/2025	Period Ending 31/12/2025
Active Members				
Total at period start	**3,173**	**3,229**	**3,238**	**3,249**
New Starters	112	62	92	18
New Leavers	42	39	70	44
Retirements	13	14	11	10
Death	1	0	0	0
Total at period End	**3,229**	**3,238**	**3,249**	**3,213**

Deferred Members				
Total at period start	**1,290**	**1,300**	**1,321**	**1,363**
New Deferred	30	32	60	45
New Leavers	11	4	13	8
Retirements	9	7	5	6
Death	0	0	0	0
Total at period End	**1,300**	**1,321**	**1,363**	**1,394**
Pensioner Members				
Total at period start	**4,303**	**4,323**	**4,361**	**4,394**
New Retirements	39	49	47	38
New Dependents	15	10	7	3
Notified (need further details)	10	6	10	17
Death/cessation	24	15	11	6
Total at period End	**4,323**	**4,361**	**4,394**	**4,412**
Total membership at period end	**8,852**	**8,920**	**9,006**	**9,019**

Appendix 4 – Board Members Attendance Register 2025/2026

	Employer Side Representatives						Scheme Member Side Representatives							
	Surrey OPCC	**Sussex OPCC**	**Surrey & Sussex Police**	**Surrey & Sussex Police**	**Surrey & Sussex Police**	**Surrey & Sussex Police**	**Federation Surrey**	**Federation Sussex**	**Superintendents Association Surrey**	**Superintendents Association Sussex**	**Scheme Member (NARPO)**	**Scheme Member (NARPO)**	**Quorate (8 Members)**	**Balanced**
Meeting Date	**Kelvin Menon**	**Iain McCulloch**	**Peter Appleton**	**Angela Packebusch**	**Adrian Rutherford**	**Carwyn Hughes**	**Darren Pemble**	**Raff Cioffi**	**Matt Barcraft-Barnes**	**Stuart Hale**	**Simon Lambert**	**Graham Bradley**		
26/06/2025	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Apologies	Yes	Yes	Yes	Yes	Yes	No
01/10/2025	Yes	Apologies	Yes	Yes	Apologies	Yes	Yes	Yes	Apologies	Yes	Yes	Yes	Yes	No
18/12/2025	Yes	Yes		Yes	Yes	Yes	Yes	Yes		Apologies	Yes	Yes	Yes	No
25/03/2026	Yes	Yes	Yes	Yes	Apologies	Retired	Yes	Yes	Yes	Apologies	Yes	Yes	Yes	No