

West Sussex Pension Fund Annual Report 1 April 2023 to 31 March 2024



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Foreword by the Chairman of the Pension Committee

I am pleased to provide an update on the Pension Fund's activities during 2023/24.

Investments

On 31 March 2024 the fund was valued at £5,785m (compared to £5,331m on 31 March 2023).

The majority of the Pension Fund's portfolio was invested in listed equities (50%) and corporate bonds (28%) with the remainder of the investments in commercial property, private equity, private debt and infrastructure. This mix is based on advice from our independent advisors, as well as being based on the Pension Fund's specific risk and return requirements, in order to pay benefits and to manage the cost of the Scheme.

The Pension Fund invests for the long term, but at times this can mean that performance is volatile. Overall, the fund underperformed the market during the year with a return of 8.16% compared to a market index of 12.94%. This was mainly because of the underperformance in the pooled equity funds, reflecting their position on market sectors. Importantly this does not impact on the benefits payable to members.

Administration

Pensions can be confusing, but it is important to think about the benefits available, and plan. Therefore, good administration is central to the responsibilities of the Pensions Committee. I am pleased to reflect on the strong improvement in the service delivered to members and employers following the establishment of our Partnership with Hampshire Pension Services. The team continue to consistently deliver to their service level target and are actively engaged with national projects, such as the McCloud Remedy and Pensions Dashboard Project, which help ensure that members have timely and accurate information about their pension to support their financial planning. We are looking at how we can communicate better with members and employers to support further engagement.

Governance

During the 2023/24 financial year the Fund updated several of its policies. Whilst the content of these documents is directed by best practice or Regulations, they are important references to describe how the pension fund is managed and how certain aspects of the administration are considered. The Committee has reviewed the Pension Fund's Discretion Policy, Internal Dispute Resolution Procedure and Breaches process – and have reviewed, and consulted on, the Investment Strategy Statement. All documents are available on the website.

Jeremy Hunt

Chairman of the Pension Committee

Foreword by the Chairman of the Pension Advisory Board

The Pension Advisory Board, established in 2015, assists the Scheme Manager in ensuring compliance with regulations; the application of guidance and legislation; implementing requirements imposed by the Pensions Regulator; and securing effective and efficient governance and administration. The Board meets four times during each financial year.

The Board is required to have a minimum of four members with equal representation of employers and scheme members – six members are appointed currently. I act as the independent Chairman and do not have voting rights. Each member has demonstrated their commitment to meeting their responsibilities, by maintaining a suitable level of knowledge and understanding of the issues, by preparing for each meeting and by participating effectively in the Board's discussions.

The Board has continued to operate well and continues to allow virtual access where necessary, although members usually attend in person. The business for each meeting has been planned by reference to the business plan agreed for 2023/24 and is based on the responsibilities of the Board and regulatory guidance on key issues to be covered. The plan has been comprehensively addressed during the year and there have been no disputes in the decisions reached. Key items covered include administration performance, communications, policy statements, cyber security, new regulations and guidance, the investment pooling arrangements with ACCESS, and knowledge and skills requirements. However, there continues to be a delay by the Government and the Pensions Regulator in progressing new governance initiatives. Progress is anticipated in 2024/25.

The Board uses the Local Government Pensions Committee (LGPC), the Scheme Advisory Board (SAB) and The Pensions Regulator (tPR) websites as points of reference for the Scheme regulations and guidance, and to track any changes being introduced. The regular updates issued by the SAB are particularly useful and are reported to each meeting.

The Board has formulated its training plan, in conjunction with the Pensions Committee, to cover the individual requirements of each member based on guidance issued by CIPFA, using the suggested framework to ensure coverage of all items over a reasonable period. Training is concentrated on the use of the Hymans Robertson Online Learning Academy (LOLA), introduced in 2021 for Board and Committee members. Progress on training is monitored and discussed at each meeting and reviewed annually in the year-end performance reviews. The modules in LOLA have been updated during 2023 and members are in the process of reviewing each module. A training log is maintained.

The Board is satisfied that the West Sussex Pension Fund is operated in compliance with statutory regulations and other legislation, and with guidance issued by the Department for Levelling Up, Communities and Housing (DLUHC). The requirements imposed by tPR are being met and their proposed new General Code of practice was issued in January 2024 to come into force at the end of March. The Board continues to monitor the effectiveness and efficiency of the governance and administration arrangements.

Peter Scales, Chairman of the Pension Advisory Board

The West Sussex Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is one of the largest public sector pension schemes in the UK. It is a nationwide pension scheme with 6.6 million members across 20,000 employers and is a valuable part of the pay and reward package for employees.

Whilst it is a nationwide Scheme, with the Scheme rules and employee contributions set by Central Government, the LGPS in England and Wales benefits from being administered locally through 87 local pension funds. This means that West Sussex County Council is responsible for maintaining a pension fund for 89,252 members (comprising current and former employees of West Sussex County Council and the 330 other Scheme Employers).

A summary of benefits are below.

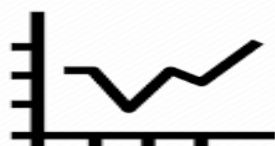


The LGPS is a 'defined benefit' Scheme which means each year 1/49th of a member's pensionable pay (or 1/98th if a member elects to pay into the 50/50 section of the Scheme) is put into their pension account.

Pension benefits are based on membership in the Scheme and are set in Regulations – they are not dependent on contributions paid in or the returns achieved by the Fund on its investments.



A pension is usually payable from a member's normal pension age which is linked to their State Pension age (with a minimum of 65 years old). However, there are circumstances where a pension is paid earlier, including if a member leaves their job due to ill health or is made redundant.



Pension accounts and pensions in payment are adjusted each April in line with the cost of living. The increase is based on the September-to-September adjustment to the Consumer Prices Index (CPI). The CPI index for the year up to September 2023 was 6.7% and this increase was applied in April 2024.



The Scheme includes several options for members including the ability to pay half normal contributions in return for half the normal pension amount (the 50/50 section), boosting a pension by paying more, retiring early and exchanging some pension for tax-free cash on retirement.



The rate of contributions a member will pay is set nationally and range from 5.5% to 12.5%, dependent on a members pay.

Employer contributions are set every three years by the local fund. The employer contribution rates for employers in the West Sussex fund range from 0.0% to 43.6% of pensionable pay for the financial year ending 31 March 2024.

Membership is split between active, deferred and pensioner members.

- **Active members**

These are members who continue to pay into the Scheme to build up their LGPS pension. At the 2022 valuation, just under half of the active membership in the West Sussex LGPS consisted of part time female employees, with an average salary of £12,768 per annum. The whole fund average salary was £20,152 per annum.

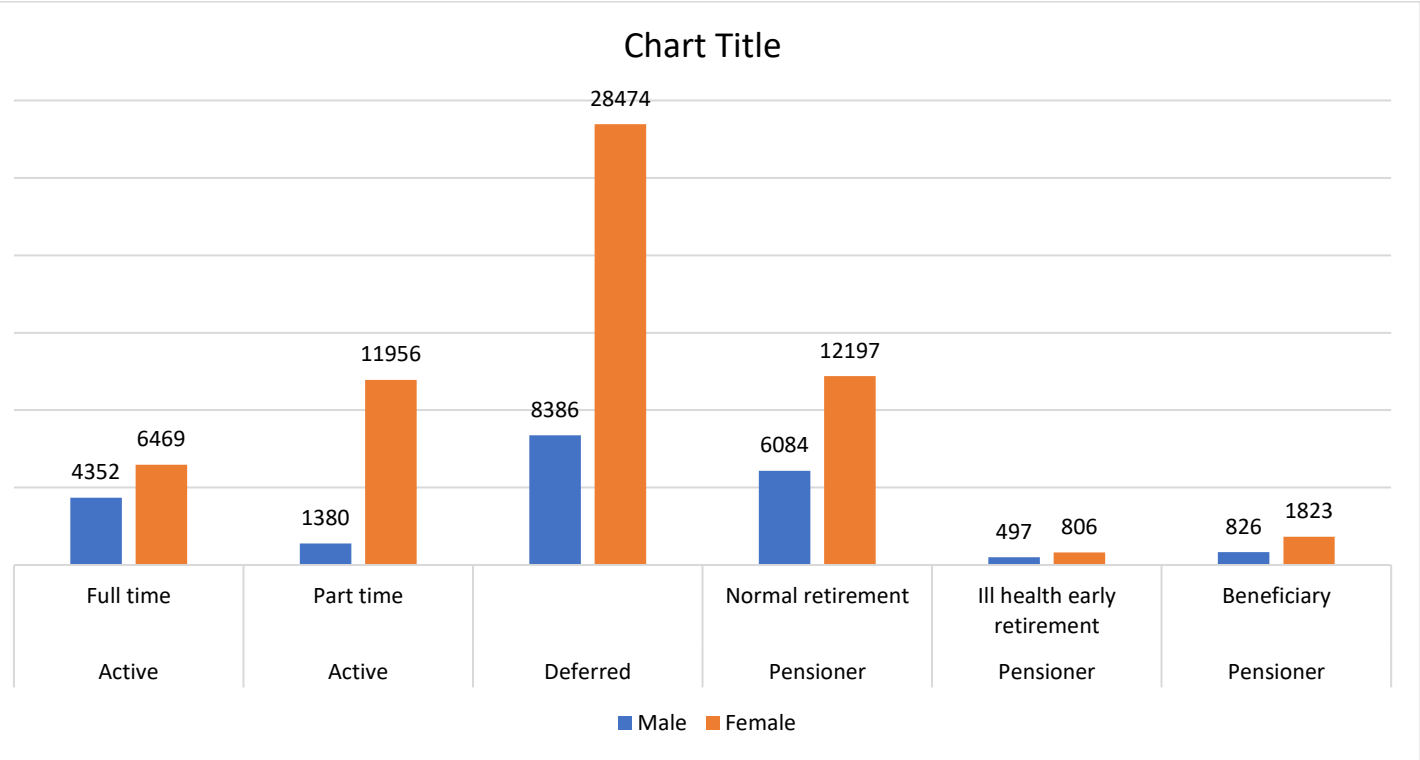
- **Deferred members**

These members have left their job or the Scheme before retirement (and who have contributed to the Scheme for two years). The deferred pension will be held in the LGPS until the member chooses to take their deferred pension benefits, or it is transferred to another pension arrangement. The average deferred pension pot in the West Sussex LGPS is £1,433 per annum (based on the 2022 valuation).

- **Pensioner members**

These members are in receipt of a pension from the LGPS, whether based on their own participation in the Scheme or as a beneficiary. At the 2022 valuation, the average pension in the West Sussex LGPS was £4,884 per annum.

The mix of membership at 31 March 2022 (the latest analysis available) is illustrated below:



Overall Fund Management

Scheme Management and Advisers

Senior Officers of the Fund and Director of Finance

Scheme Manager (s151 officer / Director of Finance) – Taryn Eves (to May 2024)

Scheme Manager (Director of Law and Assurance) - Tony Kershaw



Pension Administration

The Pension Fund has worked in partnership with Hampshire County Council since 2019 to deliver the pension administration service to members and employers. This is managed through a partnership agreement.



LGPS Asset Pool

As part of the summer Budget in 2015, the Chancellor announced that administering authorities were required to pool LGPS investments, to deliver significantly reduced costs while maintaining overall investment performance. In response the Pension Fund joined with ten other authorities to create the ACCESS LGPS Asset Pool.



Waystone are the independent FCA Regulated Operator of the ACCESS Asset Pool and were appointed in 2018 to manage equity and bond investments for the Pension Fund through their appointment of external managers.



A pool aligned infrastructure investment vehicle is managed by JP Morgan and invested in by the Pension Fund.



Other Investment Managers

In addition to the equity, bond and infrastructure investments which are managed within the ACCESS LGPS Asset Pool, the Pension Fund invests in a number of other assets classes managed by other external managers.



Abrdn were appointed to manage the Pension Fund's UK commercial property portfolio in 2014.



Investments in private equity and private debt have been made in funds managed by Pantheon, Partners Group, ICG and Goldman Sachs based on its strategic asset allocation requirements.



Cash is also managed by WSCC's Treasury Management team in accordance with the [Treasury Management Strategy](#) (PDF).



Fund Actuary

Each employer who participates in the LGPS is subject to several different actuarial valuations of their pension obligations to ensure benefits under the Scheme are appropriately funded. Member contribution rates are fixed by Central Government. The County Council has re-appointed Hymans Robertson as Fund Actuary in 2023.



Independent Adviser

Caroline Burton has been appointed to support the Pensions Committee through reviewing investment activity, giving advice on general investment matters, assisting in the selection of new managers and offering a practical approach to address and control risk. Caroline was an Executive Director-Investments at Guardian Royal Exchange plc for a number of years and has been a non-executive director of a number of companies in the financial services sector.



Internal Auditor

Southern Internal Audit Partnership (SIAP) provide an internal audit service to assist the Pension Fund in ensuring it has appropriate risk management processes, control systems, accounting records and governance arrangements in place. This is managed through a partnership agreement.



External Auditor

Ernst & Young were re-appointed in 2021 by the Public Sector Audit Appointments Ltd as external auditors for WSCC and the Pension Fund. EY give a view of the financial transactions and the amounts and presentation of the fund's assets and liabilities.



Custodian

Northern Trust were re-appointed in 2021 by the Pension Fund to provide global custody services (safekeeping of assets and record keeping) and performance measurement service.



Legal Adviser

West Sussex County Councils legal services team provide advice on a range of matters covering investment, governance and employer management. External legal advisers are used as required.



AVC Provider

All LGPS's have an Additional Voluntary Contribution (AVC) arrangement in which members can invest money deducted directly from pay as a flexible and tax-efficient way to increase retirement benefits. The Pension Fund's current provider is Legal and General and they were appointed in 2021. Some members retain AVC investments with Standard Life.



Risk Management

The Pension Fund actively maintains a risk register as a key strategic and operational tool which drives focus on priority issues within Pension Committee meetings and day to day administration of the Fund.

The full risk register can be found on the Pension Fund's website. This identifies key risks and considers and assesses the significance, likelihood of occurrence and potential impact of the risk. Where possible, measures are then put in place to manage the risk or provide transparency if this is to be tolerated. The approach to mitigations and details of the actions taken are included in the full risk register.

The Pensions Committee will review the risk register on a quarterly basis, and officers will consider changes between formal meetings – escalating as appropriate.

Key themes from the risk register are highlighted below:

A red risk generally has a very high likelihood of occurring and / or a major or critical impact.



Cybercrime resulting in potential service disruption, financial or data loss.

An amber risk generally has a medium likelihood of occurring and / or a major or critical impact.



Insufficient resources to comply with the Administering Authority's Regulatory responsibilities and ability to deliver the business plan.



Officer, Committee and Board knowledge and understanding resulting in poor decision making and disengagement on key issues and loss of professional investor status under MiFID II.



Increase in variety and number of employers participating in the Scheme resulting in the risk of non - compliance with obligations.



Fund not able to implement changes as result of McCloud judgement due to insufficient resources or incomplete information held by employers.



Ability of asset pool to allow participating authorities to execute their locally decided investment strategies.



Political environment (locally or nationally) impacts on funding and/or investment strategy.



Climate risk has the potential to impact Pension Fund investment returns, inflation and life expectancies.

A green risk generally has a low or very low likelihood of occurring and / or a negligible or minor impact.



The Fund Investment Strategy is not appropriate to meet the Funds liabilities and cash flow requirements.



Poor quality data resulting in error and misstatement.



Failure to secure value for money through managing contracts with third parties.



Conflict of interest for members and employers.

Governance And Training

The LGPS is a public sector pension scheme, with its rules made, and changed, only with the approval of Parliament. However, the LGPS in England and Wales benefits from being administered locally through 87 local pension funds who make decisions about the governance and administration arrangements, how pension contributions are invested, the appointment of advisers and managers and the funding strategy.

For the West Sussex LGPS, these responsibilities are delegated to the West Sussex Pensions Committee. The Pensions Committee comprises seven County Council Members, two other employer representatives and a member representative but importantly the Committee have a collective responsibility to serve the interests of Fund members and employers.

The Pensions Committee are supported by the Pension Advisory Board who assist with compliance to the LGPS rules, overriding pensions legislation and guidance from the Pensions Regulator and others. The Pension Advisory Board comprises three employer representatives, three member representatives and an independent Chairman.

Senior officers of West Sussex County Council also have responsibility to manage the scheme operationally and advise the Pensions Committee in how it discharges its responsibilities in relation to the Scheme.

In all cases, any perceived or actual conflict of interest is managed in line with the County Council's policy.

In 2015/16 the Government required LGPS Authorities to work together to achieve benefits of scale, improve governance and decision making, provide excellent value for money and provide improved capacity and capability to invest in infrastructure. West Sussex collaborates with ten other LGPS funds to form the ACCESS LGPS Asset Pool and a [Joint Committee](#) has been established who have responsibility to operating the Pool and overseeing the performance of the independent Operator and Pool Aligned Assets Providers. The Joint Committee provides an effective governance structure which is rooted in the Regulatory responsibilities of each of the participating Administering Authorities and the Local Government accountability framework. The Chairman (or their nominee) will represent the Pension Fund on the Joint Committee.

The Pension Fund's full Governance Statement (PDF) can be found [here](#) and information about meetings of the Pensions Committee and Pensions Advisory Board are published on the website.

Committee and Board Membership and Attendance

The Pensions Committee and Pension Advisory Board normally meet four times per year.












In addition to attending meetings, the Pensions Committee and Pension Advisory Board are expected to acquire and maintain an appropriate level of expertise, knowledge and skills in order to remain members of the Committee and Board.

A [Training Strategy](#) (PDF) has been established to support the Pension Committee and Pension Advisory Board. This includes:








- Access to the LGPS online Learning Academy (LOLA) which covers all aspects of LGPS. One of the modules is regularly updated with current issues.
- Internal training sessions included investment manager presentations, a presentation from the Local Government Association (LGA) on the work of the LGPS Scheme Advisory Board and a review of the knowledge progress assessment undertaken by the Committee and Board.

- External training sessions attended included LGA Fundamentals and LGPS-Live webinars, a presentation from the Pensions Regulator on the new Code of Practice and conferences covering governance, investment and actuarial matters.
- Access to the Pensions Regulator online training.

Pension Committee

Committee Member		Meetings Attended	ACCESS Joint Committee	LOLA training	Internal Training	External Training
Jeremy Hunt – Chairman <i>County Councillor</i> <i>Member since 2016</i>		4/4	3/4	3/8	3	3
Mark Chilton <i>District Representative</i> <i>Member since September 2023</i>		2/2		0/8	0	0
Stuart Condie <i>County Councillor</i> <i>Member since 2021</i>		4/4		2/8	4	3
Joy Dennis <i>County Councillor</i> <i>Member since 2017</i>		3/4		0/8	4	0
Roger Elkins <i>County Councillor</i> <i>Member since 2018</i>		4/4	1/1	0/8	3	2
Nigel Jupp <i>County Councillor</i> <i>Member since 2017</i>		3/4		0/8	0	2
Mike Kipling <i>Scheduled Bodies Representative</i> <i>Member since 2021</i>		4/4		2/8	4	1
Tim Stretton <i>Member Representative</i> <i>Member since 2022</i>		4/4		0/8	2	0
John Turley <i>County Councillor</i> <i>Member since 2021</i>		4/4		8/8	4	0
Deborah Urquhart <i>County Councillor</i> <i>Member since 2013</i>		4/4		7/8	2	2
Peter Wilding <i>District Representative</i> <i>Member from 2022 to May 2023</i>		1/1		0/8	0	0

Pension Advisory Board

Board Member		Meetings Attended	LOLA training	Internal Training	External Training	tPR Toolkit
Peter Scales - Chairman <i>Independent Member since 2015</i>		4/4	3/8	2	2	Complete
Becky Caney <i>Member Representative Member since 2018</i>		4/4	0/8	2	3	Complete
Richard Cohen <i>Employer Representative Member since 2015</i>		4/4	0/8	2	0	Complete
Miranda Kadwell <i>Employer Representative Member from 2018 to May 2023</i>		1/1	0/8	0	0	Complete
Ann Phillips <i>Member Representative Member since July 2023</i>		3/3	0/8	2	0	
Kim Martin <i>Employer Representative Member since 2016</i>		2/4	0/8	2	0	Complete
Richard Walton <i>Member Representative Member since 2022</i>		4/4	8/8	2	0	Complete

LOLA Training was updated during the year, and the information contained above relates to completion of these new modules. The majority of Pension Committee and Pension Advisory Board members completed the original LOLA modules.

Financial Performance, Fund Account, Net Assets Statement and Notes

Statement of Accounts

Timely, high quality financial reporting and independent audit are an important part of the Pension Fund's transparency and accountability framework. The draft accounts were completed on 31 May 2024 in line with the Statutory deadline and published by 7 June 2024. Following their work, the auditor will provide an opinion on whether the financial statements of the Pension Fund give a true and fair view of the financial position of the income and expenditure for the year.

The table below summarises the Pension Fund's accounts for 2022/23 and 2023/24.

Net Assets	2022/23 £'000	2023/24 £'000
Net assets of the Scheme at the start of the year	5,494,106	5,343,924
<u>Receipts</u>		
Member contributions	35,088	38,163
Employer contributions	116,646	122,318
Transfers in by members from other pension schemes	12,315	12,917
Other	11	4
<u>Investments</u>		
Investment income	122,868	137,314
Increase / Decrease on investments	-276,938	332,050
<u>Payments</u>		
Benefits paid	-129,432	-146,344
Administrative & oversight and governance expenses	-2,561	-2,787
Investment management expenses	-18,138	-27,485
Payment to and on account of leavers	-10,041	-16,257
Net assets of the Scheme at the end of the year	5,343,924	5,793,818

NOTE:

1. There is a difference on the total due to rounding.

Changes to income and expenditure from 2022/2023

The main sources of income and expenditure for the Pension Fund are contribution receipts, investment income, pension payments and fees. These can be variable, driven by membership changes, the funding strategy, asset performance and financial markets.

Receipts

Member and employer contribution income for the year has increased by £8.7m, or 5.8%, from the 2022/23 financial year due to the increase in both active members and pensionable pay.

Investment income for the year has increased by £14.4m, or 11.8%, from the 2022/23 financial year which reflects additional yield on fixed income securities in a higher interest rate environment and maturing of private debt funds increasing distributions.

Payments

Benefits paid increased by £16.9m, or 13.1%, from the 2022/23 financial year. This reflects an increase in pensioner members along with an inflationary increase on pensions in payment of 10.1%.

Overall investment management expenses have increased by £9.6m, or 46.2%, from the 2022/23 financial year. This reflects the additional investments made in year to private equity and private debt investments which have higher associated fees but the expectation of higher returns.

Each pension fund is required to provide the Department for Levelling Up, Housing and Communities (DLUHC) with information about its administration and fund management for inclusion in the National Accounts (the SF3 Return). This information can be used to indicate a LGPS "average" cost per member. However, it is important to recognise that Authorities will have different characteristics (such as size, membership profile, staff turnover, IT literacy and access), a range of participating employers and offer different levels of service to their members and employers. The recent comparisons are illustrated below. The LGPS average is only available for the prior year.

Type of cost	2021/22	2021/22	2022/23	2022/23
	LGPS Average	West Sussex Pension Fund	LGPS Average	West Sussex Pension Fund
Administrative, oversight, governance, and investment management	£320.20	£151.22 ¹	£308.96	£240.80
Administrative, oversight and governance costs only (excluding investment management)	£37.89	£26.86	£43.08	£29.79

¹ The investment management fees includes the credit for the reduction of performance fees agreed. This is as a result of a performance fee which crystallised in 2020/21 following the end of a contract.

Changes to Assets and Liabilities from 2022/23

The Pension Fund manages a substantial investment portfolio which is there to help pay for benefits to members and their dependents now, and in the future (liabilities).

Investment assets have increased by £453.7m, or 8.51%, compared to 31 March 2023 due to strong equity markets and income received on the fixed income assets, which was reinvested. This is recognised in the increase in investments.

Investment liabilities are made up of property rental income in advance and have increased from £342k on 31 March 2023 to £855k on 31 March 2024.

Recovery of Overpayments

Overpayments mainly occur when pension payments have continued after a pensioner has died but could also relate to divorce cases or children's' pension payments. The invoices raised to cover this are analysed below:

Description	2022/23 £'000	2023/24 £'000
Brought Forward	79	62
Overpayment	53	50
Recovered	-40	-34
Adjustments	-5	0
Written Off	-25	-4
Carry Forward	62	74

Investments and Funding

The Pensions Committee has responsibility for determining and implementing the investment strategy of the Fund to pay benefits and to manage the cost of the Scheme.

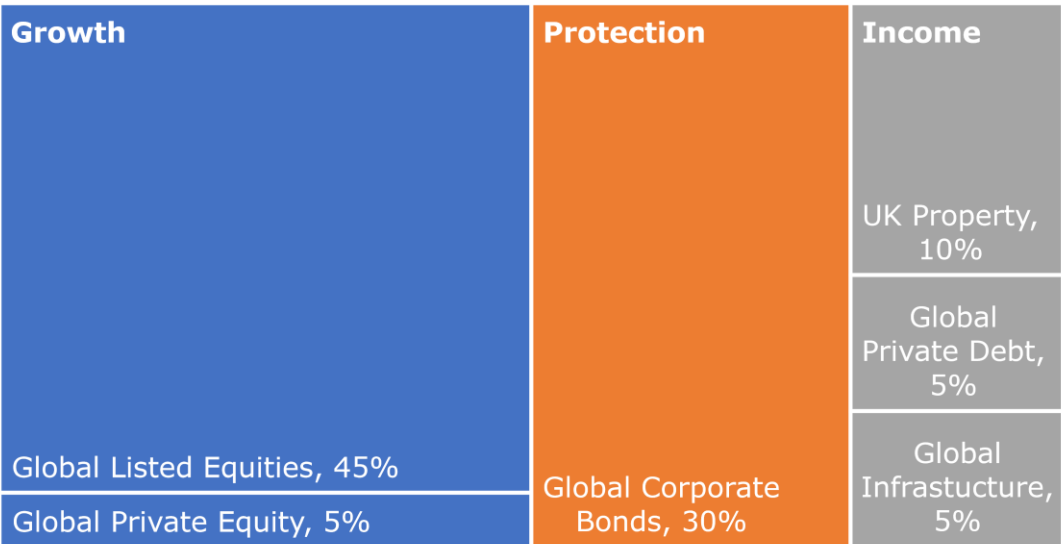
The strategy sets out the approach to investing Fund money in a wide variety of investments based on the specific risk and return requirements for the Fund and following detailed advice from the Fund Actuary, Investment Consultant, and Investment Adviser (including through the completion of Asset Liability Modelling work).

The Pensions Committee has appointed third-party investment managers to manage the assets of the Fund according to set mandates. These mandates reflect long term performance expectations and require that appointed managers consider several factors – including financial – when making decisions about which companies to buy, sell and retain.

Information about the managers and advisers to the Fund can be found [above](#).

The current strategic asset allocation is described and illustrated below.

- **Growth assets** are expected to provide returns in line with equity markets. The Pensions Committee have invested in two equity funds managed through the ACCESS Asset Pool and holds private equity commitments.
- **Income assets** provide an additional income stream to support the cash flow requirements of the Fund. The income can come from rent on commercial property, interest payments on loans or from revenue on power generation and distribution, transport networks and utilities held within the infrastructure portfolio.
- **Protection assets** store value and reduce volatility the of funding levels relative to variations in interest rates and inflation pricing, such as bonds.



The strategic asset allocation reflects the long-term weighting to various asset classes. However, it is expected that the actual positions will vary against the strategy in the shorter term, reflecting market movements and the pattern of transactions within the underlying portfolios.

Whilst this can have an impact on the overall portfolio return, the Committee believes that it should not take short term decisions. Rebalancing (i.e., moving money between different asset categories) can however be used to avoid any unintentional deviation, although no rebalancing was required during the year.

On 31 March 2024 the Pension Fund had an investment portfolio valued at £5,773m. The table below sets out the valuations and asset allocation on 31 March 2024 against the strategy:

	£'000	% Of Fund value	Strategy %
Listed Equities	2,981,012	51.6	45.0
Private Equity	-178,075	3.0	5.0
Total Growth Assets	3,153,080	54.6	50.0
Direct Property	455,700	7.9	10.0
Private Debt	-236,453	4.0	5.0
Infrastructure	267,835	4.6	5.0
Total Income Assets	954,088	16.5	20.0
Bonds	1,615,248	28.0	30.0
Total Protection Assets	1,615,248	28.0	30.0
Other Investments	51,100	0.9	-
Total	-5,785,424	100.0	100.0

NOTE:

1. The total does not include cash internally managed by WSCC on behalf of the Pension Fund of £3.5m (31 March 2023: £7.6m)
2. Differences in the totals are due to rounding's.

Investment Performance

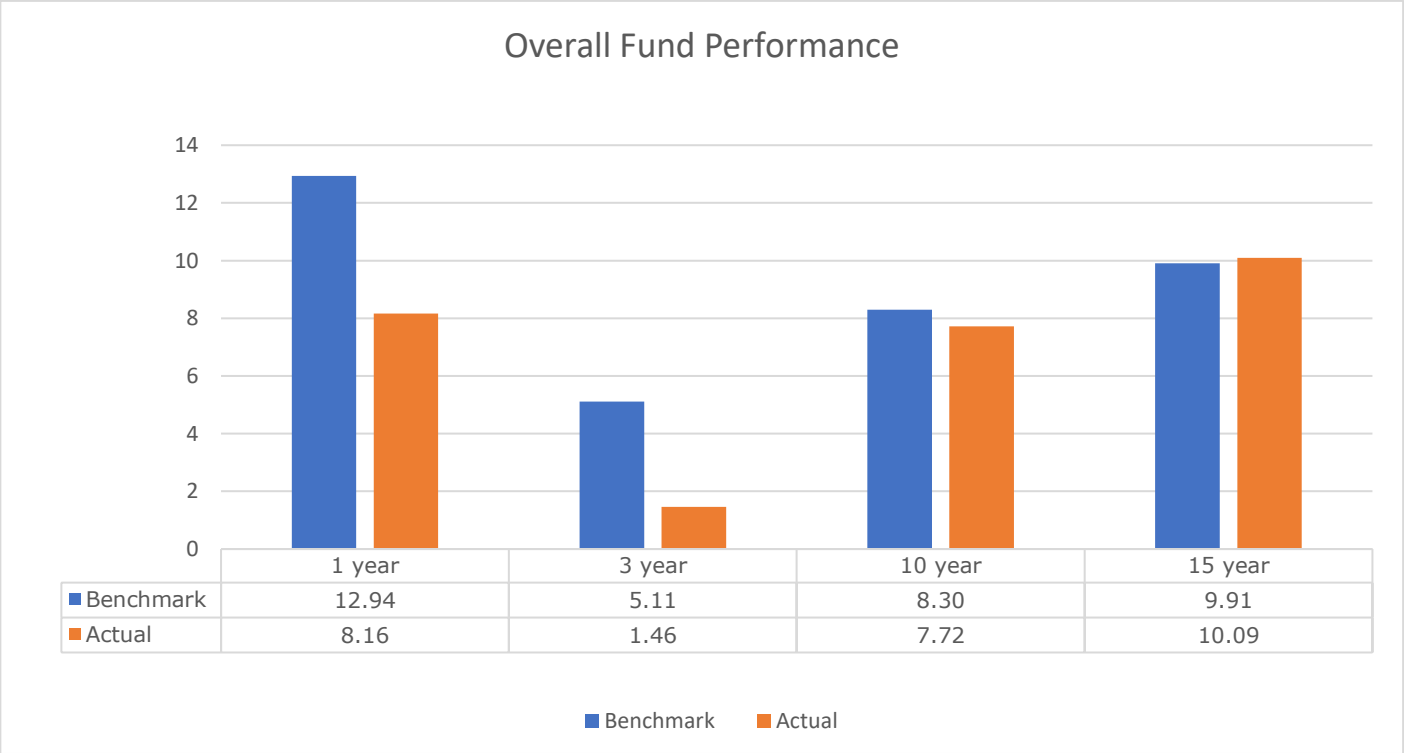
When setting the investment strategy, the Pensions Committee and its advisers consider the cashflows required to pay benefits and the returns required on the investment portfolio to support stable and affordable contribution rates. The rate of return assumed when setting the investment strategy may be quite different to shorter term market movements and does not take account of any additional performance attributable to active management.

When implementing the investment strategy, the Pension Committee looks to avoid a large number of separate manager relationships and considers the performance of active managers over suitably long period. This supports the Pensions Committee’s approach to responsible investment and strong governance by appointing the best-in-class high conviction active investment managers and supporting a culture of long-term investment.

Active management is where a fund manager makes specific buy and sell decisions based on their research and view of a company’s future performance – and this should deliver superior return as a result. This contrasts to passive management where a market index is replicated, and a market average return is achieved.

As a general market context, despite the wars in the Middle East and Ukraine, protectionist policies and the ongoing trade dispute between the US and China, global stock markets have been making a comeback over the last 12 months with most major indices reaching all-time highs buoyed up by signals from the US Federal Reserve that point to interest rate cuts in 2024. Breakthroughs in artificial intelligence has restored a sense of optimism and the widely forecast recession has failed to materialize. Bond yields continued to be volatile in the past year as investors grappled with the outlook for inflation, growth and interest.

While the absolute market performance of the portfolio over the last 12 months is markedly stronger compared to the previous year, the Pension Fund investments have underperformed relative to the market. Longer-term performance is also behind. This follows a few challenging years, particularly for the equity managers. This is illustrated on the chart below:



The Pensions Committee consider the performance of fund managers each quarter, seek advice on the fund managers delivery of the objectives against the guidelines set and engage with managers on areas of relevance. This is a continual process to ensure that the investment strategy is successfully implemented over the medium and longer term.

Growth assets | Listed Equity

The market “average” return for a global equity portfolio was 22.45%. Holding a slightly larger allocation to equity/growth investments compared to the pension fund’s core strategy had a positive contribution to performance.

However, because both equity managers make active decisions on the companies which they hold in the portfolio managed for the Fund, their performance can be quite different to the “average” or market. This can be exaggerated in the short term.

The table below shows the market returns for the year by market sector, the weighting to different sectors in the benchmark and the Fund’s weightings to these sectors on 31 March 2024.

Sector	Annual Market Return	Benchmark Weighting	End of Year Portfolio Fund Weighting
Consumer Staples	0.3%	7%	20%
Utilities	1.4%	2%	0%
Real Estate	5.6%	2%	1%
Materials	6.7%	4%	4%
Health Care	11.0%	12%	14%
Energy	17.1%	5%	0%
Consumer Discretionary	17.6%	11%	18%
Industrials	22.5%	11%	12%
Financials	26.3%	15%	9%
Communication Services	28.5%	7%	7%
Information Technology	37.9%	24%	13%

Exposure to industries, sectors, and countries, is the result of where the managers typically find the best companies rather than a market index and it is considered that holding high quality companies will deliver substantial growth in the future. The Pension Fund’s equity portfolios include high conviction position in information technology companies and communication services (two of the top performing sectors). However, the short-term performance of consumer staples and consumer discretionary detracted.

Growth assets | Private Equity

Performance on the less liquid private equity portfolios should be considered over the longer term, given their investment horizon and is focused on the total cash received back compared to the amount originally invested over the portfolio’s lifetime. However, activity during the year has been positive, benefiting from a gradual upward trend on the back of increasing clarity around macroeconomic outlook and interest visibility.

Income assets | Property

Overall, the property market remains subdued as investors are waiting for the rate cutting cycle to begin, and for more attractive stock to become available. Offices continue to be the biggest strain on the index, whilst the residential and industrial sectors are more resilient. The market average return for a core property portfolio was -1.7%.

The Fund's long-term strategic aim is to hold a low-risk portfolio to provide the target return over the long term and importantly provides a second source of income through the rent received on commercial property.

To deliver this the property managers make active decisions on properties to hold, sell or buy. The Pension Fund's portfolio comprises 28 properties across the UK with industrial units making up the largest sector weighting within the Fund's portfolio, which helped deliver relatively strong returns for the portfolio during the year.

The portfolio also has strong income which has driven overall performance and good rental growth characteristics. Over the last year the Fund has received £22.8m in rental income and the property portfolio currently has a void rate of 4.5% (as a percentage of estimated rental value).

At the end of the year 92% of the portfolio had an A+ - C Energy Performance Certificate rating.

The picture below shows the ten largest holdings in the portfolio.



Income assets | Private Debt

Private debt consists of loans to companies which are not provided by banks or public markets and instead are provided by private investors. The approach taken to private debt aligns with the other investment portfolios – well researched, quality opportunities sourced by managers who actively engage with the company.

Performance on the less liquid private debt portfolios should be considered over the longer term, given their investment horizon and is focused on the total cash received back compared to the amount originally invested over the portfolio's lifetime.

Income assets | Infrastructure

The Fund invests in an infrastructure vehicle, which itself holds investments in utilities, contracted power, rail leasing, tank storage and other infrastructure assets.

Protection Assets | Bonds

Bond yields continued to be volatile in the past year as investors have had to contend with inflation, growth and interest rates. Towards the end of the period signs suggested that a 'soft landing' is the most likely economic scenario, whereby inflation cools without a material growth slowdown. This has translated into positive sentiment for riskier assets and corporate bonds have performed well. The market "average" return for a global bond portfolio was 15.0%.

The portfolio's has a high weighting to corporate bonds which have continued to outperform safer government bonds, and higher-yielding bonds has boosted returns. Whilst the financial / banking sector has seen some pressure last year, credits with strong fundamentals have contributed to returns as their margins benefit from higher interest rates.

Overall Performance

The table below shows annual and longer-term performance for the equity, bond and property holdings:

	12 months	5 years pa	10 years pa
Waystone ACCESS Global Alpha Paris Aligned Equity Fund (Baillie Gifford)	16.0 %	9.6 %	12.2 %
Benchmarks: MSCI ACWI ND	20.6 %	11.8 %	12.1 %
<u>Difference</u>	-4.6. %	-2.20 %	0.1 %
Waystone ACCESS Global Equity Fund (Macquarie)	3.8 %	n/a	n/a
Benchmark: MSCI World Index ND	22.5 %	n/a	n/a
<u>Difference</u>	-18.7 %	n/a	n/a
Waystone ACCESS Investment Grade Bond Fund (Baillie Gifford)	6.2 %	-0.9 %	2.3 %
Benchmark: ICE BoA ML STG Non-Gilts	3.0 %	-1.6 %	2.0 %
<u>Difference</u>	3.2 %	0.7 %	0.3 %
Waystone ACCESS Sterling Investment Grade Credit Fund (Fidelity)	8.0 %	n/a	n/a
Benchmark: ICE BoA ML Euro-Sterling Index	6.1 %	n/a	n/a
<u>Difference</u>	1.9 %	n/a	n/a
Property Abrdn	1.7 %	1.7 %	5.1 %
Benchmark: MSCI IPD Benchmark	-1.1 %	1.0 %	5.1 %
<u>Difference</u>	2.8 %	0.7 %	0.0 %
Infrastructure JP Morgan	13.1 %	n/a	n/a
Target: 8% pa absolute	8.0 %	n/a	n/a
<u>Difference</u>	5.1 %	n/a	n/a

The shorter time periods shown for the Macquarie equity, Fidelity fixed income and JP Morgan infrastructure allocations reflects the more recent investments the Pension Committee have made to these sub-funds / managers. Longer term performance has been shown where available.

Performance against a benchmark for private equity and private debt has not been shown as it is unrepresentative of these asset classes.

Climate Risk Reporting

The Pensions Committee recognises that climate change is one of the material Environmental, Social and Governance (ESG) factors which pose a potential financial risk over the long term, and that it is important to consider the implications for the Fund of the challenges posed by climate change.

Information relating to the carbon emissions and other climate-related metrics of the Pension Fund's equity and bond investments is summarised below. This is a useful starting point for understanding the Fund's financing of emissions in the real economy, its exposure to fossil fuel activities and its forward-looking trajectory as it related to the temperature goals of the Paris Agreement. However, it should be noted that it will take several years for data, including emissions data, to be disclosed using consistent methodology. This is the first stage of the Pension Fund's disclosure of climate-related metrics and the reporting will be developed over time to reflect appropriate metrics and targets relevant to the Pension Fund's investment strategy and the way climate-related risks and opportunities are managed.

The following pages provide a description and applied metrics in relation to the financed emissions and climate-related metrics. Financed emissions are useful to measure and monitor as they provide a starting point for understanding the fund's carbon footprint and identifying climate risks but they are backward looking, very volatile and heavily depend on financial factors. Other climate-related metrics therefore help get a more holistic picture of the Fund's climate profile and provide an indication of a future pathway for a company's or fund's approach to climate change.



Emissions-based climate data: Carbon Footprint (financed emissions)



Exposure to fossil fuel-based revenues (climate related metric)



Portfolio alignment metrics (climate related metric)

Emissions-based climate data: Carbon Footprint

The primary metric that investors look at with regards to understanding their portfolio's position in relation to climate change is financed emissions. In effect it tells us the emissions the Fund is financing and can be used for comparing progress over time, as well as across funds and portfolios.

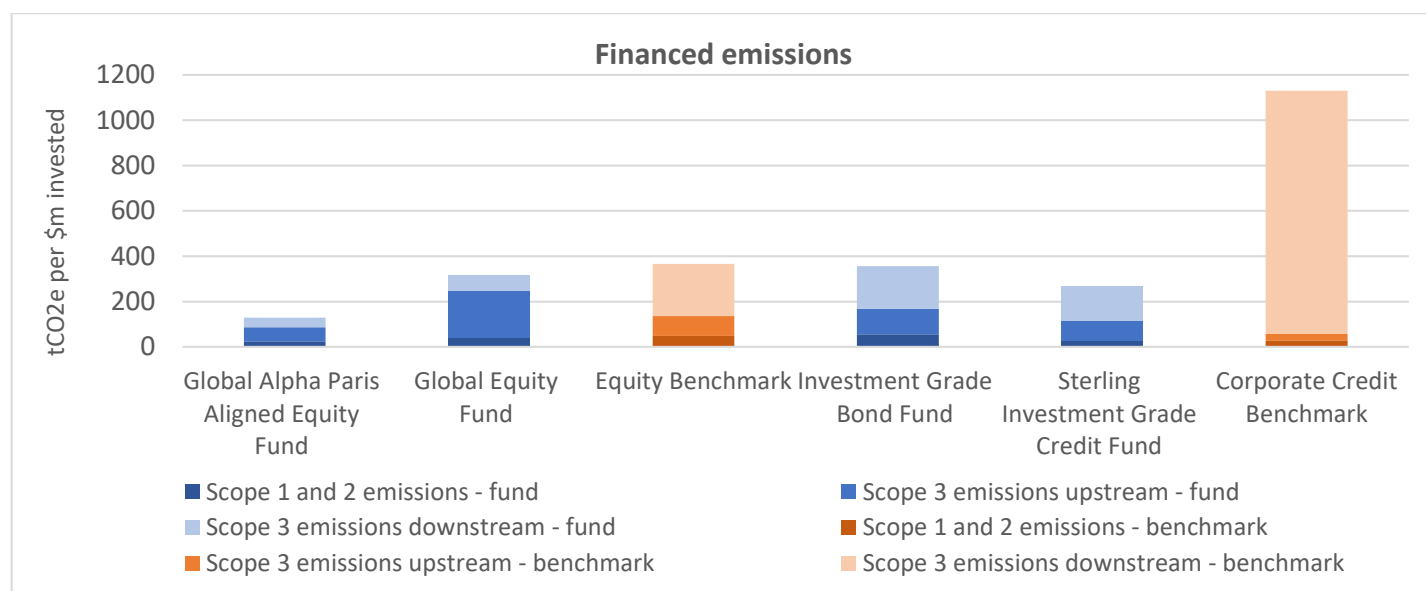
This is an ownership-based metric and refers to the greenhouse gas (GHG) emissions from the assets and companies the Fund invests in or lends to, scaled by its level of investment (also known as the enterprise value including cash (EVIC)).

In practice this means that if a fund owns 2% of a company, it attributes 2% of the company's total emissions to its portfolio. Normalising the total aggregated emissions by the invested amount gives us a carbon footprint, which shows the emissions the Fund is financing per million \$.

Emissions are broken down into three distinct scopes, a brief explanation of these is presented below:

- **Scope 1 and 2 emissions:** Scope 1 covers direct emissions from owned or controlled sources such as a company's facilities or vehicles whilst Scope 2 covers indirect emissions from the purchase and use of electricity, steam, heating and cooling. Scope 1 & 2 provide more focus, as these are more in the control of companies the Fund invests in.
- **Scope 3 emissions:** Scope 3 emissions are the indirect emissions that occur as a result of activities from assets not owned or controlled by a company but which are integral to their operations, both upstream (emissions that occur in relation to purchased goods and services) and downstream (emissions that occur in relation to the sale of goods and services) of its operations.

The analysis below shows the carbon footprint of the sub-funds invested in, alongside the carbon footprint of their reference benchmarks. The charts show that across the four sub-funds the Scope 3 emissions are significantly larger than Scope 1 & 2 emissions.



The Investment Grade Bond Fund has the highest emissions aggregated across all three scopes, while the Global Alpha Paris Aligned Equity Fund has the lowest. This is not surprising given the Paris Aligned Equity Fund aims to have lower emissions as compared to a Paris-aligned reference benchmark, which has been achieved. In general, the credit universe tends to be more carbon intensive than the listed equity universe mainly due to industry composition, company size and as debt-financing is a common way to finance capital-intensive project.

When looking at carbon footprints, the focus is normally on Scope 1 & 2 emissions as those are more in the control of companies the Fund invests in, whereas scope 3 emissions are not directly in companies' control and they have less influence over them. From a Scope 1 & 2 emissions perspective the Paris Aligned Equity Fund is lower than the reference benchmark and is closer to a Paris-aligned reference benchmark. The Global Equity Fund is slightly higher than its reference benchmark.

The Investment Grade Bond Fund is higher than its reference benchmark, while the Sterling Investment Grade Credit Fund is around the benchmark on Scope 1 & 2 emissions.

While financed emissions are useful to measure and monitor as they provide a starting point for understanding the fund's carbon footprint and identifying climate risks, they are very volatile

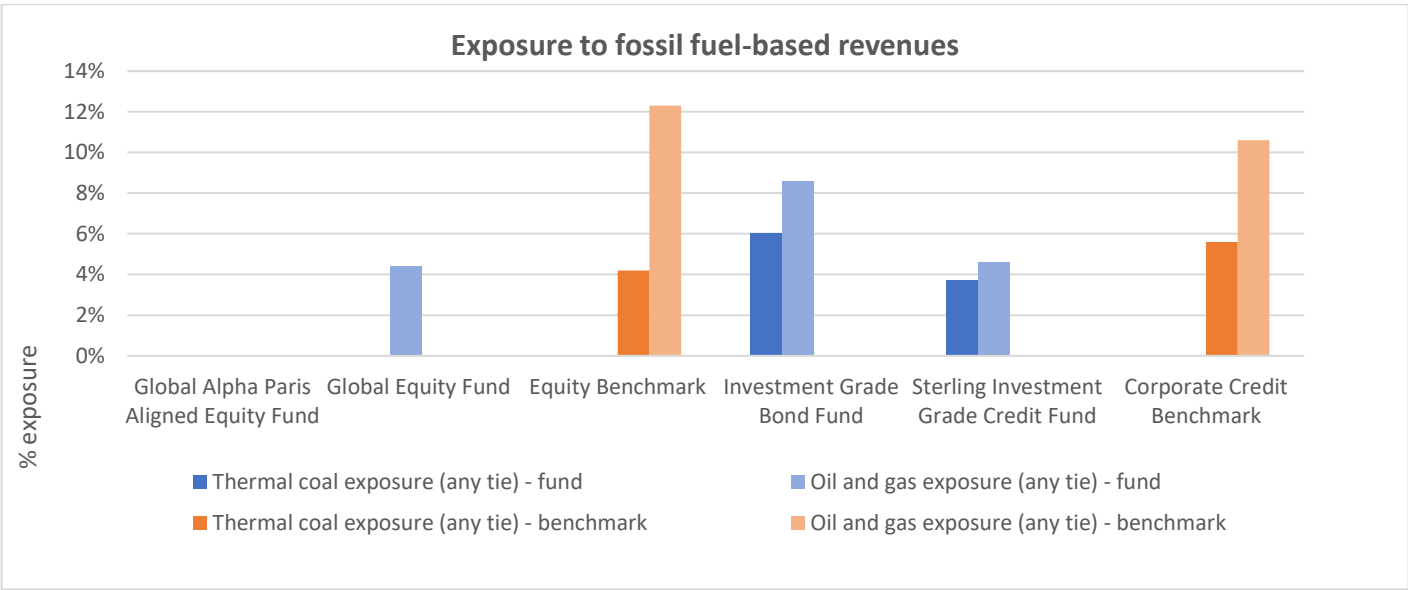
and heavily depend on financial factors, mainly enterprise value including cash (EVIC). Financed emissions are also backward-looking and don't provide an indication of a future pathway for a company's or fund's approach to climate change. For this reason, we also looked at a number of other climate-related metrics to help get a more holistic picture of the Fund's climate profile, including exposure-based metrics as well as portfolio alignment-based metrics.

Non-emissions-based climate data: exposure to fossil fuel-based revenues

The investment managers will each make decisions about the investments to hold, buy and sell within their portfolio. Decisions will reflect the asset class characteristics and the fund manager's objectives and approach to environmental, social and governance issues. The below provides a snapshot of the exposure to different sectors.

- **Thermal coal exposure:** Exposure to companies with reserves or production of thermal coal or thermal coal-based power generation.
- **Oil and gas exposure:** Exposure to companies with oil and gas reserves or production or other oil and gas related revenues and oil and gas-based power generation. Companies generating revenues from biofuels are not flagged.

The analysis below shows the additional climate metrics of the sub-funds invested in, alongside that of a reference benchmarks.



The Global Alpha Paris Aligned Equity fund has no direct exposure to thermal coal or oil and gas-related revenues, this is lower than the reference benchmarks and a Paris-aligned reference benchmark, which both have some exposure. Given the Fund's Paris Alignment target, this is not a surprise. The Global Equity Fund has a small exposure to oil and gas but no exposure to thermal coal and both of these are lower than the exposure of the benchmark. The Sterling Investment Grade Credit Fund has some exposure to both thermal coal and oil and gas, however it is lower than the reference benchmark. The fund with the most sizeable exposure is the Investment Grade Bond Fund – its oil and gas exposure is below that of the reference benchmark, however its thermal coal exposure is slightly higher.

Non-emissions-based climate data: Portfolio alignment metrics

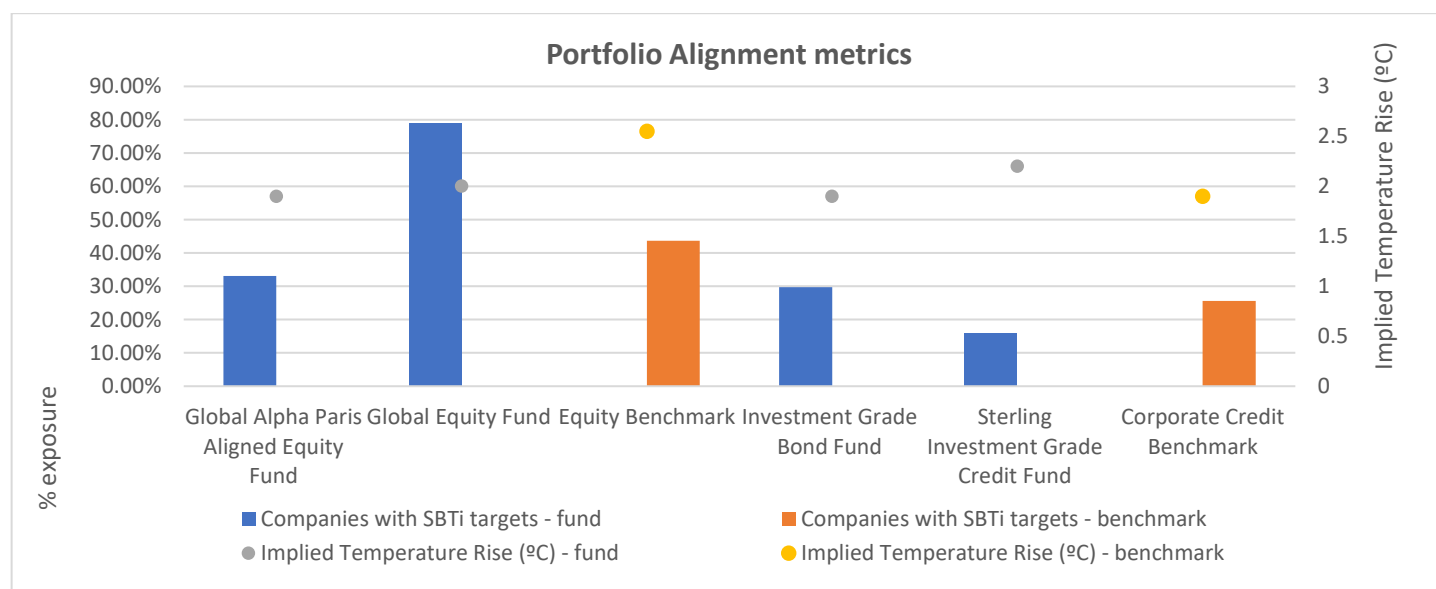
Portfolio alignment looks at the degree to which the portfolios are consistent with the goals of the Paris Agreement, principally to keep global temperature rise this century well below 2°C above pre-industrial levels, and ideally to 1.5 °C.

These forward-looking metrics are helpful as they give an idea of the portfolio's trajectory in relation to climate change, not just backwards looking.

The alignment metrics described below are commonly used in the industry.

- **Exposure to companies with Science Based Target initiatives (SBTi) approved targets:** This portfolio alignment metric identifies companies with one or more active carbon emission reduction target/s approved by the Science Based Targets initiative (SBTi). It indicates how well a company's emissions reduction targets are alignment with the goals of the Paris Agreement.
- **Implied Temperature Rise (ITR):** This portfolio alignment metric translates the degree of alignment at the company-, fund- or portfolio-level into a temperature score that can be compared against the temperature goals of the Paris Agreement. It calculates the expected temperature rise (in the year 2100), if the whole economy had the same emissions trajectory to the company analysed. The emissions trajectory is determined based on the company's projected Scope 1,2 and 3 and is compared to a specific carbon budget to determine whether the company is over or undershooting.

The analysis below shows the alignment metrics of the sub-funds invested in, alongside that of reference benchmarks.



The Global Equity Fund has the highest exposure to companies that have approved Science Based Target initiatives (SBTi) targets, and the Fund's Implied Temperature Rise (ITR) is also below 2°C. Both metrics fare better than the benchmark. The Global Alpha Paris Aligned Equity Fund has an ITR of 1.9 °C, which is in line with the goals of the Paris Agreement. While the Fund's ITR is better than the All-Country Equity benchmark or the low-carbon benchmark, the percentage of companies with an SBTi target lags behind the benchmarks. Overall the two credit funds have a lower alignment if looking at SBTi, and the Baillie Gifford Sterling Investment Grade Credit Fund is the only fund which has a higher ITR than its benchmark index – 2.2°C compared to 1.9°C for the Sterling Corporate Credit benchmark.

Stewardship

In line with the Committee's approach to being long term stewards of the Pension Fund's investments, Environmental, Social and Governance (ESG) issues are integrated throughout its investment decision-making process, from setting investment strategy to monitoring the Fund's investment managers – taking appropriate advice.

The Pension Committee expects each of the fund managers to work with companies to deliver a positive and measurable societal and/or environmental outcome, combined with an appropriate level of financial return and to use the voting rights associated with its invested funds actively. Fund managers voted on 97.1% of resolutions presented in 2023/24.

Examples of engagement are below:

Data analytics and online market place company

Engagement with the company leadership regarding sustainability, social issues and data privacy.

Understanding the investment opportunity and the most material areas of the business and continuing ongoing discussions.

Pharmaceutical and Biotechnology Company

Providing requested feedback on proposed governance changes and on compensation practices.

Discussion on uncontroversial governance changes as this company matures along with the challenges of setting long-term performance targets.

This company has suggested it would like further feedback once targets are disclosed.

Financial Services Company

Engaged with this company by feeding back on its remuneration policy and also to obtain an update on its climate ambitions.

The Companies responses on remuneration were reasonable along with the Company's climate enhancements as their progress to align nearer-term targets with its net zero commitment.

Multinational Technology Company

Engaging with the company to raise questions in several ESG areas.

The outcome was the company demonstrating that efforts are being directed towards employee satisfaction. Further engagement across several ESG topics

Sustainable innovation

Engagement with a global company regarding sustainable innovation and how to enhance shareholder value through capital allocation and share repurchase. The company was positive towards the strategic options suggested and that sustainable innovations were based on consumer demands.

To support and inform the active stewardship there are several initiatives which the portfolio managers participate which recognise the importance of ESG risk and opportunities within the investment process and represent thought leadership and policy advocacy. Some of these are described below:



All the Pension Fund's managers are signatories to the United Nations [Principles for Responsible Investment](#). By being a signatory, the investment managers have committed to incorporating ESG issues into investment analysis and decision-making processes and for their active ownership practices to promote responsible investment principles.



Most managers appointed by the Pensions Committee are supporters of the [Taskforce for Climate Related Financial Disclosures \(TCFD\)](#). This has been set up in recognition that understanding the financial risks and opportunities related to climate change and the potential financial implications relies on businesses disclosing clear, comparable and consistent information.



Each of the Pension Fund's equity and bond managers ([Baillie Gifford](#), [Fidelity](#) and [Macquarie](#)) as well as our private equity fund manager [Partners Group](#) and private debt manager [Goldman Sachs](#) are signatories to the UK Stewardship Code. This sets high stewardship standards for asset owners and asset managers, and for service providers that support them. By being a Stewardship Code signatory, the managers have been able to demonstrate their purpose, investment beliefs, strategy, and culture enable stewardship that creates long term value for investor.



Several of fund managers appointed by the Pensions Committee are investor participates in Climate Action 100+ which is a direct engagement focused collaboration with companies that are critical to the net-zero emissions transition.



The Fund's appointed property investment manager measures the property portfolio against the Global Real Estate Sustainability Benchmark (GRESB) assessment process. The portfolio received a 2-star rating (the maximum is five) which is down from 3 in 2022, this is partly due to the decrease in data coverage for tenant energy.

The Pension Fund's infrastructure manager (JP Morgan) also participates in GRESB. The portfolio received a 4-star ranking in 2023 (the maximum is five).

In addition to benchmarking to inform continuous improvement, participating in GRESB allows managers to share ESG learnings and best practices and proactively engage and collaborate with the industry.

In addition, the Fund is a member of the following organisations either directly or through the ACCESS pool.

The logo for the Pensions and Lifetime Savings Association (PLSA) is a magenta rectangle with the text "PENSIONS AND LIFETIME SAVINGS ASSOCIATION" in white, uppercase, sans-serif font.

The [PLSA](#) is a not-for-profit organisation which represents pension schemes across the UK. Their main aims include bringing the pensions industry together and improving pension policy and in doing so helping everyone achieve a better income in retirement.

A member of the pension fund's team sits on the Local Authority Committee.



Pensions for Purpose is an organisation which seeks to empower pension funds through training events, member forums and their knowledge centre.



[LAPFF](#)'s mission is to promote the highest standards of corporate governance to protect the long-term value of local authority pension funds.

Investment Pooling

In 2015/16 the Government required LGPS Authorities to work together to achieve benefits of scale, improve governance and decision making, provide excellent value for money and provide improved capacity and capability to invest in infrastructure.

West Sussex collaborates with ten other LGPS funds (shown below) to form the ACCESS LGPS Asset Pool to meet the Government's objectives by making available a range of asset types to meet locally decided investment strategies, whilst also ensuring local democratic accountability and the ability of authorities to continue to meet their fiduciary responsibilities.



To date West Sussex have transitioned all equity and bond investments to funds established by the ACCESS pool. The Pension Committee holds an investment in JP Morgan's Infrastructure portfolio, which is a pool aligned investment vehicle (under pool management).

The Annual Report for ACCESS can be found on its [website](#).

Work is underway to plan for the pooling of other illiquid assets including private equity, private debt, infrastructure and real estate.

However, the Fund intends to keep its property allocation and legacy private equity and private debt investments outside of the formal pooling arrangement proposed based on ongoing value for money, large one-off transition costs and illiquidity of these assets.

Any asset that remains outside of the Pool will be reviewed at least every three years to determine whether the rationale remains appropriate and whether it continues to demonstrate value for money.

Assets

The asset table below shows the categorisation of the Funds total investments.

£m Asset values as at 31 March 2024	Pooled £m	Under pool management £m	Not pooled £m	Total £m
Listed Equities	2,981			2,981
Bonds	1,615			1,615
Property			456	456
Private equity			178	178
Private debt			236	236
Infrastructure		268		268
Cash and net current assets			50	50
Other			1	1
Total	4,596	268	921	5,785

Information on costs incurred, gross savings achieved, and the net savings achieved as a result of pooling assets has not been provided for 2023/24. Assurance regarding the methodology, validity and relevance of the information will be sought.

The table below shows the Funds total UK investments.

Asset values as at 31 March 2024	Pooled £m	Under pool management £m	Not pooled £m	Total £m
UK Listed Equities	234			234
UK Government Bonds	109			109
UK Infrastructure		16		16
UK Private Equity			21	21
UK Commercial Property			456	456
Total	343	16	477	836

Administration

A key objective of the Fund is to deliver a good administration service to all stakeholders with processes and procedures to ensure that good quality information is held, that it receives all income due and makes payments. Hampshire Pension Service (HPS) are the administrators for the Fund and this is managed through a partnership agreement.

It is considered that the Fund demonstrates value for money through its performance over the year, particularly:

- **Effective Administration Service**

All measurable casework has been achieved within the required timeframes, each monthly payroll was run successfully and without delay.

- **Number Of Complaints**

Members and employers are invited to provide feedback about their experiences of dealing with the Fund, to assist with improving the service. The Pension Fund webpages contain the [compliments and complaints process](#). During 2023/24, 3 formal complaints were received, compared to nine in 2022/23. There were no trends in the complaints, and they were not considered to identify a consistent failure or poor service. As part of the complaint resolution process, actions to prevent recurrence are considered and put in place if necessary.

- **Number Of Compliments**

34 compliments were received in 2023/24. These included comments on customer service and communication and positive experience of using the online portal and website.

- **Customer Support**

In January 2023 a re-assessment of the Customer Service Excellence (CSE) standards was completed. The administration team continue to meet the required standards across the 57 areas assessed. This included demonstrating the commitment to putting the customer at the heart of service delivery and being accessible to all customers through provision of a range of channels. The customer support team received just under 6,000 calls from members, with an average maximum call wait time of 65 seconds.

- **Use of Technology**

The Fund believe that the effective use of technology and self-service will improve the administration service to members and employers. Over the year just over 5,639 additional members (an increase of 16%) have registered to utilise the Member Portal meaning that 41,025 members (46%) can now use the system to receive benefit statements, run estimates and download payslips (where applicable). The number registered on the Employer Portal as of 31 March 2024 is 178, compared to 163 as at 31 March 2023.

Cyber Security

The pensions administration system (UPM) used by HPS and the two online portals available to members and employers are protected by multiple layers of security, including 2-factor authentication, the access to UPM is reviewed on a quarterly basis to ensure that all users, have the appropriate level of access to the system. Six monthly external penetration testing is also carried out to protect against any potential cyber security incidents, which could result in loss of data.

HPS produced its latest annual cyber compliance statement in December 2023. This sets out their approach to cyber resilience and how it assesses and minimises the risk of a cyber incident occurring, along with recovery plans should an incident occurs and includes confirmation there are controls in place to prevent and detect fraud and scams.

Total number of casework

Casework Key Performance Indicators	Total number of cases open as at 31 March 2023	Total number of cases created in the year	Total number of cases completed 2023/24	Total % completed in 2023/24	Total cases set up but not due	Total number of cases completed in 2022/23	Total % of cases completed in 2022/23
Deaths recorded of active, deferred, pensioner and dependent members	40	459	499	100%	110	473	100%
New dependent member benefits	65	235	300	100%	37	309	100%
Deferred member retirements*	31	912	943	100%	90	835	100%
Active member retirements*	18	459	477	100%	19	458	100%
Deferred benefits	327	3,056	3,383	100%	377	3,502	100%
Transfers in (including interfunds in, club transfers)	4	382	386	100%	209	267	100%
Transfers out (including interfunds out, club transfers)	39	345	384	100%	31	296	100%
Refunds	40	640	680	100%	20	546	100%
Divorce quotations issued	36	130	166	100%	20	144	100%
Actual divorce cases	6	0	6	100%	5	1	100%
Member estimates requested either by scheme member and employer	180	1,461	1,641	100%	272	2,084	100%
New joiner notifications	0	6,599	6,599	100%	0	5,905	100%
Aggregation cases	50	425	475	100%	89	331	100%
Optants out received after 3 months membership	0	77	77	100%	0	20	100%
Total	836	15,180	16,016		1,279	15,171	

*Actual Retirements between 1 April 2023 and 31 March 2024 total 1,435. Of these 39 were ill health retirements, 34 were as a result of Redundancies and 1,362 voluntary retirements (i.e. a member reaching normal retirement age).

Time taken to process casework

Casework Key Performance Indicators	Suggested Fund Target	Actual Fund Target	% completed within fund target in year	% completed in previous year
Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	5 days	5 days	100%	100%
Communication issued confirming the amount of dependents pension	10 days	15 days	100%	100%
Communication issued to deferred member with pension and lump sum options (quotation)	15 days	15 days	100%	100%
Communication issued to active member with pension and lump sum options (quotation)	15 days	15 days	100%	100%
Communication issued to deferred member with confirmation of pension and lump sum options (actual)	15 days	15 days	100%	100%
Communication issued to active member with confirmation of pension and lump sum options (actual)	15 days	15 days	100%	100%
Payment of lump sum (both actives and deferred)	15 days	10 days	100%	100%
Communication issued with deferred benefit options	30 days	30 days	100%	100%
Communication issued to scheme member with completion of transfer in	15 days	15 days	100%	100%
Communication issued to scheme member with completion of transfer out	15 days	15 days	100%	100%
Payment of refund	10 days	15 days	100%	100%
Divorce quotation	45 days	15 days	100%	100%
Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	15 days	15 days	100%	100%
Communication issued to new starters	40 days	20 days	100%	100%
Member estimates requested by scheme member and employer	15 days	15 days	100%	100%

Communications and engagement

During the year the Pension Fund sent Annual Benefit Statements to active and deferred members, Pensions Savings Statements to Pensioner members and newsletters to all members. This is usually through an email where we have a valid email address, unless a member has opted out of this service then we will send to their postal address.

Engagement with online portals	Percentage as at 31 March
% of active members registered	51.23%
% of deferred member registered	38.99%
% of pensioner and survivor members	48.19%
% total of all scheme members registered for self-service	45.19%
Number of registered users by age	See separate table
% of all registered users that have logged onto the service in the last 12 months	48.32%

Communication	Total
Total number of telephone calls received in year	7,802
Total number of email and online channel queries received	8,166
Number of scheme member events held in year (total of in-person and online)	0
Number of employer engagement events held in year (in-person and online)	35
Number of active members who received a one-to-one (in-person and online)	0
Number of times a communication (i.e. newsletter) issued to:	
a)Active members	3 (ABS, PSS, newsletter)
b)Deferred members	2 (ABS, newsletter)
c)Pensioners	3 (Payslip/P60, newsletter, life certificate)

Number of registered users by age

Age band	Numbers
Under 30	1,634
30 - 44	6,976
45-54	8,733
55-64	13,437
65-74	7,699
75+	2,546
Total	41,025

Administration Resources

Resources	Response
Total number of all administration staff (FTE)	27
Average service length of all administration staff	6 years 2 months
Staff vacancy rate as %	11.20%
Ratio of all administration staff to total number of scheme members (all staff including management)	3,334
Ratio of administration staff (excluding management) to total number of scheme members	3,462

Data quality

The pension administration system processes are fully auditable and control the input of data to ensure the accuracy of member records. The success of the annual bulk processes – year end, benefit statements, valuation, TPR data scoring – wouldn't be possible without the underlying data being of good quality.

In addition to the day-to-day and annual processes, HPS also use the TPR data scoring reports to highlight trends in inaccurate data, so amendments can be made to the processes, and/or solutions found to resolve historic data issues – the data issues outstanding have little to no impact on our ability to process and pay benefits, but they are flagged by TPR's common and conditional data requirements.

The pensioner records are mortality screened every month to report any deceased pensioners and to prevent overpayment of pension benefits.

Annual Benefit Statements	Active	Deferred
Percentage of annual benefit statements issued as at 31 August	99.41%	99.98%
Short commentary if less than 100%	154 statements outstanding at 31/8/23	7 statements outstanding at 31/8/23.

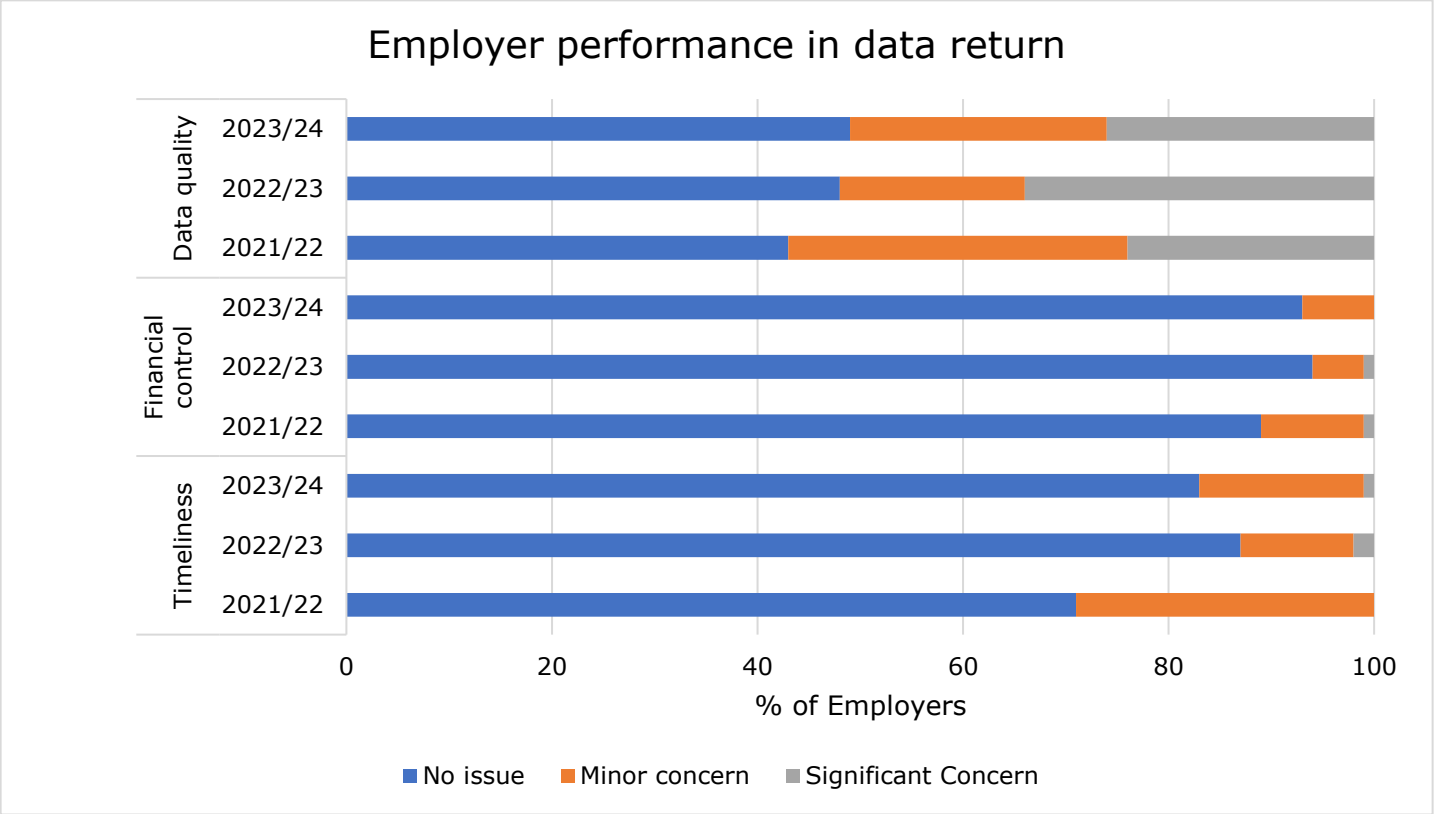
Data category	
Common data score	98%
Scheme specific data score	94%
Percentage of active, deferred and pensioner members recorded as 'gone away' with no home address held, or address is known to be out of date	1%
Percentage of active, deferred and pensioner members with an email address held on file	60.80%

The Pension Fund does not currently require employers to complete monthly data submissions.

Employer Performance

To ensure the Pension Fund can comply with its statutory regulations, timely and accurate information is necessary from scheme employers. As part of the efforts to drive data improvements, the administration team review employer performance for timeliness, financial control and data quality as part of the annual return process.

The performance categories are shown below along with the percentage of employers in each section for the last three years.



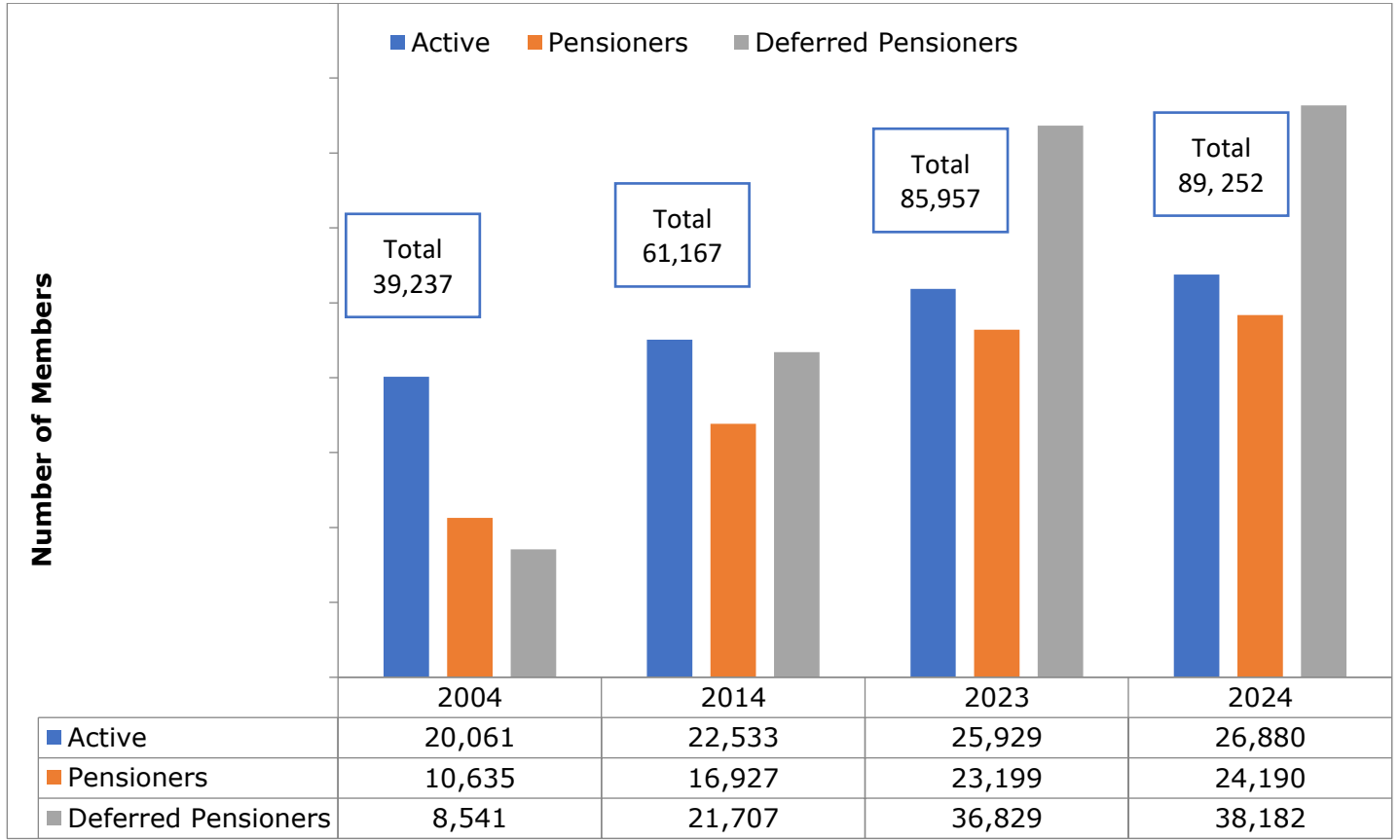
Between October 2023 to end of March 2024, over 26 training sessions were delivered to employers of the Pension Fund. The topics included employers in the LGPS, pensionable pay, organisational changes, leavers & retirements, Additional Pension Contributions (APCs) and Additional Voluntary Contributions (AVCs), discretions and disputes, annual returns and Employer Hub Demo.

Scheme Participation

The table below summarises the mix of employers participating in the West Sussex LGPS. In total there were 330 employers on 31 March 2024.

Type of employer	Description	With active members	No active members	Total
Scheduled Bodies, Resolution Bodies, Colleges, and Academies	Regulations allow employees of certain bodies to join the Scheme including the County Council, District and Borough Councils, Sussex Police & Crime Commissioner, non-uniformed personnel employed by the Chief Constable, some employees within Town and Parish Councils and non-teaching staff at Colleges and Academies.	180	28	208
Admitted Bodies	These include voluntary, charitable, and similar bodies or private contractors undertaking a local authority function following outsourcing to the private sector.	39	83	122
Total		219	111	330

Membership has increased by 127.5% over the past twenty years, as illustrated below.



Contributions by Employer

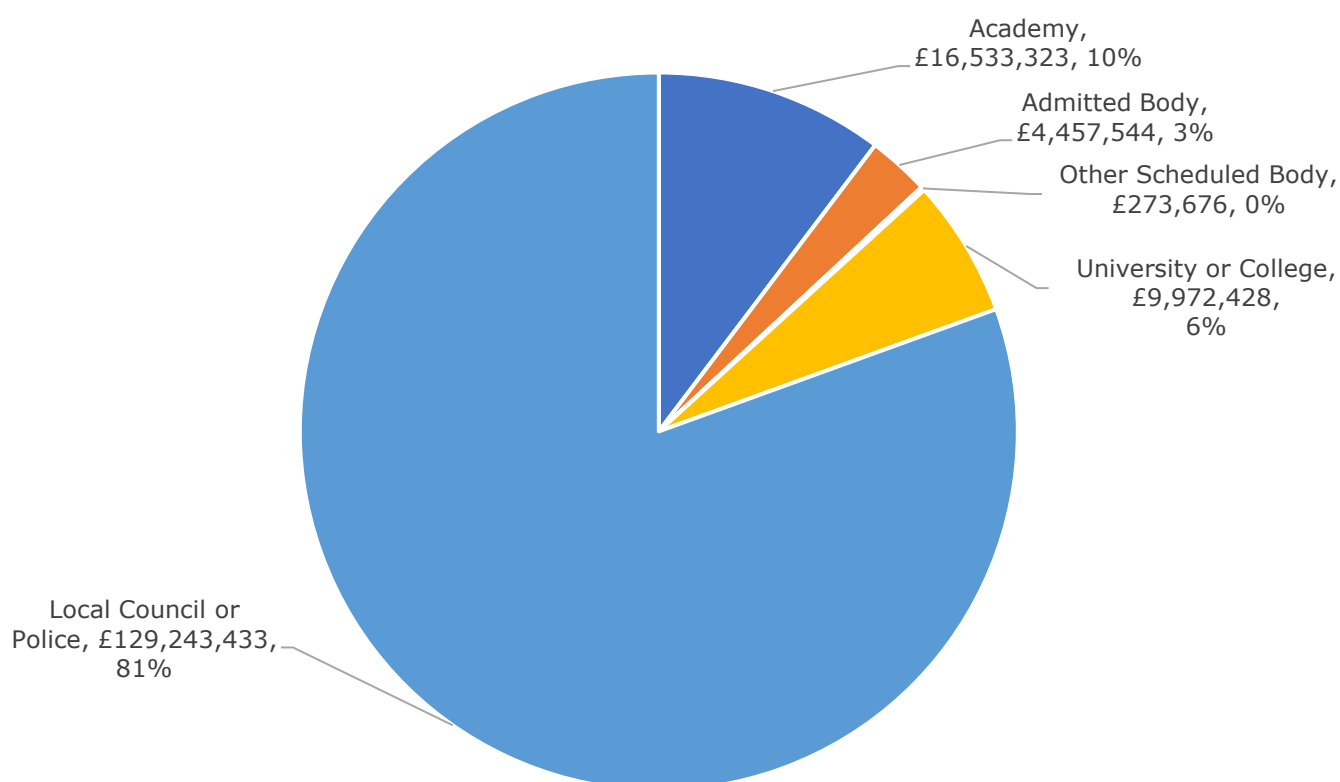
Contribution Receipts

The table below shows some key statistics for contribution receipts for 2023/24. Contributions, which are collected and paid over by employers, must be received by the Fund by the 22nd of the month following the deduction from pay.

Description	2022/23	2023/24
Number of employers paying contributions	227	233
Contributions received – Employer (£000)	116,645	122,318
Contributions received – Employee (£000)	35,088	38,163
Number of Contribution Payments Received	2,573	2,631
Payments received on time	94.4%	95.0%
Interest Charged (£000)	8	0

The number of employers paying contributions in the table above includes a number that either joined or ceased in year. The total number of employers paying contributions at the end of the year is 219.

Contributions by category and percentage of total contributions



Contribution receipts are analysed below by employer:

Of the Fund's total 219 active employers, the Fund received contributions from 15 employers in excess of £1m during the year – this equates to 85.9% of the total contributions received (85.9% in 2022/23).

The employers paying in excess of £1m per annum in contributions are listed below.

Employer	Employer and Employee Contributions £'000	% Of Total Contributions to the Pension Fund
West Sussex County Council	75,500	45.0
Chief Constable Sussex Police	22,070	14.2
Chichester College Group	6,757	3.7
Adur/Worthing Joint Committee	5,148	3.4
Crawley Borough Council	4,713	3.1
Chichester District Council	4,401	2.7
Arun District Council	4,233	2.7
Horsham District Council	3,775	2.2
Mid Sussex District Council	3,371	2.1
University of Chichester	2,658	1.9
Worthing Borough Council	1,514	1.1
South Downs National Park Authority	1,417	1.0
Saxon Weald Homes	1,343	0.9
Shoreham Port Authority	1,263	0.9
Adur District Council	1,223	0.9
All other active employers	21,095	14.1
Total	160,480	100.0

The total employer contribution receipts are shown below split by Scheduled Bodies (including the County Council, local district and borough councils, academies, the Police and Crime Commissioner and Office of the Chief Constable) and Admitted Bodies (including private sector bodies where a local authority has outsourced a service, or a community interest company that has been created):

Scheduled Body	Employee Contributions	Employer Contributions	Total
Adur District Council	101,152	1,122,029	1,223,181
Adur Worthing Joint Committee	1,413,787	3,734,392	5,148,179
Albourne C of E Primary School	11,563	44,871	56,434
Angmering Parish Council	7,957	21,972	29,929
Ansty & Staplefield Parish Council	1,354	4,481	5,835
Ardingly Parish Council	1,416	4,534	5,950
Arun District Council	809,078	3,423,664	4,232,743
Ashington Parish Council	975	3,405	4,381
Ashurstwood Village Council	2,114	7,168	9,282
Balcombe Parish Council	1,095	3,624	4,719
Baldwins Hill Primary School	10,767	39,062	49,829
Barnham & Eastergate Parish Council	4,250	12,761	17,011
Barnham Primary School	23,340	85,463	108,803
Bersted Parish Council	4,758	14,397	19,156
Billingshurst Parish Council	12,328	38,332	50,660
Bishop Luffa School	87,188	300,733	387,921
Blackthorns Community Primary Academy	14,244	60,457	74,701
Blackwell Primary School	16,365	59,053	75,418
Bognor Regis Town Council	26,729	79,702	106,430
Bohunt Horsham	43,790	151,421	195,211
Bohunt School Worthing	51,120	180,350	231,470
Bolney Parish Council	695	2,426	3,121
Bolnore Village Primary School	9,528	36,178	45,706
BOSCO Catholic Education Trust	25,027	65,940	90,967
Broadbridge Heath Parish Council	3,949	13,429	17,379
Broadfield Primary Academy	37,413	136,035	173,448
Burgess Hill Town Council	37,076	108,393	145,469
Bury Parish Council	796	2,777	3,573
Chichester City Council	21,694	64,402	86,096
Chichester College Group	1,559,542	5,197,279	6,756,821
Chichester District Council Pool	1,180,474	3,220,954	4,401,428
Chichester Free School	59,738	212,073	271,811
Chichester Harbour Conservancy	84,139	189,537	273,676
Chichester High School	60,567	210,151	270,718
Chidham and Hambrook Parish Council	479	1,585	2,064
Clapham & Patching CofE Primary School	4,113	14,229	18,342
Colgate Parish Council	630	2,198	2,827
Crawley Borough Council	1,264,861	3,448,317	4,713,179
Cuckfield Parish Council	7,381	22,840	30,222

Scheduled Body	Employee Contributions	Employer Contributions	Total
Desmond Anderson Primary Academy	36,173	146,964	183,137
Donnington Parish Council	484	1,691	2,175
Downsbrook Primary School	13,757	54,819	68,576
Downview Primary School	35,386	125,497	160,884
Durrington High School	100,202	353,898	454,099
Earnley Parish Council	505	1,762	2,267
Easebourne Parish Council	601	2,108	2,710
East Grinstead Parish Council	40,530	126,894	167,424
East Preston Junior School	14,380	57,678	72,058
East Preston Parish Council	5,232	16,314	21,546
East Wittering & Bracklesham Parish Council	3,363	11,132	14,495
Eastbrook Primary Academy	25,412	94,442	119,854
Edward Bryant Academy	38,513	152,331	190,844
Felpham Parish Council	3,727	12,339	16,066
Fernhurst Primary Academy	6,852	25,106	31,957
Ferring Parish Council	2,065	6,099	8,164
Field Place Infant School	5,231	19,454	24,685
Fishbourne Parish Council	927	3,174	4,102
Fittleworth Parish Council	701	2,446	3,147
Forge Wood Primary School	22,135	81,939	104,074
Glebe Primary School	16,030	55,004	71,034
Gossops Green Community Primary School	34,307	127,018	161,325
Greenway Academy	23,217	84,742	107,959
Halsford Park Primary Academy	33,396	111,382	144,777
Harlands Primary School	22,188	83,348	105,536
Hassocks Parish Council	7,224	22,277	29,501
Hawthorns Primary School	2,664	10,195	12,859
Haywards Heath Town Council	16,816	50,858	67,674
Hazelwick School	105,354	358,098	463,452
Heene CofE Primary School	20,620	74,542	95,161
Henfield Parish Council	4,075	12,918	16,993
Hilltop Primary School	38,865	139,659	178,524
Holmbush Primary Academy	16,802	70,044	86,846
Horsham District Council	1,034,711	2,739,868	3,774,579
Hunston Parish Council	1,076	3,562	4,638
Hurstpierpoint & Sayers Parish Council	8,962	26,916	35,878
Kilnwood Vale Primary School	24,886	88,919	113,805
Kingsham Primary Academy	22,586	82,419	105,004
Lancing Parish Council	13,790	40,203	53,993
Lavant CofE Primary School	3,290	12,162	15,452
Lindfield Parish Council	3,960	12,455	16,415
Lindfield Primary Academy	31,347	132,597	163,944
Lindfield Rural Parish Council	1,417	4,691	6,108
Littlegreen Academy	27,490	103,251	130,741

Scheduled Body	Employee Contributions	Employer Contributions	Total
Littlehampton Academy	115,124	397,978	513,102
Littlehampton Harbour Board	17,121	45,518	62,639
Littlehampton Town Council	34,584	109,918	144,502
Medmerry Primary School	11,692	46,527	58,219
Mid Sussex District Council Pool	687,282	2,683,797	3,371,079
Midhurst Academy	75,659	247,781	323,440
Midhurst Town Council	5,736	18,933	24,669
Milton Mount Primary School	30,572	113,894	144,466
New Horizons Multi Academy Trust	477	1,709	2,186
North Horsham Parish Council	14,819	42,595	57,414
North Mundham Parish Council	812	2,836	3,648
Northlands Wood Primary Academy	27,704	104,725	132,429
Office of the Chief Constable	5,484,666	16,585,150	22,069,816
Orchards Junior School	28,250	94,137	122,387
Ormiston Six Villages Academy	50,551	184,355	234,906
Our Lady Queen of Heaven Catholic Primary School	25,083	90,633	115,716
Pagham Parish Council	1,092	3,615	4,707
Plaistow & Ifold Parish Council	2,535	7,488	10,022
Police and Crime Commissioner for Sussex	98,277	236,917	335,195
Portfield Primary Academy	23,208	82,445	105,653
Poundhill Infant Academy	18,068	74,794	92,861
Pulborough Parish Council	5,704	18,974	24,677
Pyecombe Parish Council	282	985	1,268
River Beach Primary School	49,364	195,670	245,034
Rose Green Junior School	20,669	81,305	101,973
Rudgwick Parish Council	2,510	10,665	13,175
Rumboldswyke CofE Infant School	8,434	31,239	39,673
Rustington Community Primary School	31,905	125,950	157,855
Rustington Parish Council	9,797	31,332	41,129
Schoolsworks Multi Academy Trust	29,158	87,464	116,623
Seal Primary Academy	17,771	63,429	81,201
Seaside Primary Academy	34,252	126,669	160,921
Selsey Town Council	14,299	44,617	58,916
Seymour Primary School	32,263	113,018	145,281
Shermanbury Parish Council	555	1,938	2,493
Shipley Parish Council	744	2,597	3,341
Shoreham Academy	128,199	415,530	543,729
Singleton & Charlton Parish Council	578	2,019	2,598
Sir Robert Woodard Academy	93,863	312,203	406,066
Slaugham Parish Council	2,614	7,722	10,337
Slinfold Parish Council	1,412	4,929	6,342
South Downs National Parks Authority	437,755	978,893	1,416,647
Southbourne Parish Council	4,800	15,091	19,891
Southgate Primary School	18,607	67,018	85,624

Scheduled Body	Employee Contributions	Employer Contributions	Total
Southwater Infant School	22,987	85,701	108,687
Southwater Junior School	30,480	110,702	141,182
Southwater Parish Council	6,734	20,926	27,660
Southway Primary School	34,422	118,159	152,581
St Joseph's Catholic Primary School	27,285	97,684	124,969
St Joseph's Infant School	14,142	54,485	68,627
St Joseph's Junior School	12,528	45,079	57,607
St Lawrence Primary School	33,349	128,322	161,671
St Marys Catholic Primary School	21,322	75,843	97,166
St Nicholas and St Mary's CE Primary School	37,529	133,786	171,315
St Paul's Catholic College	59,829	205,369	265,198
St Peter's Catholic Primary	13,901	49,400	63,302
St Philip Howard High School	65,711	226,865	292,576
St Wilfred's Catholic Primary	11,820	42,339	54,159
St Wilfred's CofE Primary School	22,839	87,217	110,056
Steyning Grammar School	150,398	527,099	677,498
Steyning Parish Council	7,081	27,021	34,102
Storrington And Sullington Parish Council	5,128	15,979	21,107
Tangmere Parish Council	918	3,205	4,123
Tangmere Primary Academy	13,545	48,464	62,009
The Academy Selsey	30,429	108,528	138,957
The Bewbush Academy	42,631	154,523	197,154
The Burgess Hill Academy	41,534	167,523	209,057
The College of Richard Collyer	116,429	441,420	557,850
The Gatwick Free School	54,418	181,164	235,582
The Globe Primary Academy	30,197	107,749	137,946
The Laurels Academy	11,097	42,816	53,914
The March CofE Primary School	11,137	40,698	51,835
The Mill Primary Academy	28,514	102,880	131,394
The Oaks Academy	26,778	95,848	122,626
The Regis School	168,367	564,185	732,552
Thomas Bennett Community College	77,974	267,296	345,270
Turners Hill Parish Council	2,779	8,632	11,411
Twineham Parish Council	302	1,055	1,357
UniCAT Multi Academy Trust	58,224	142,253	200,477
University of Chichester	697,825	1,959,932	2,657,757
Upper Beeding Parish Council	3,179	9,733	12,913
Warden Park Primary Academy	32,458	121,415	153,873
Warden Park School	105,484	350,958	456,442
Warnham Parish Council	1,176	3,989	5,165
Waterfield Primary School Academy	24,496	85,215	109,712
West Chiltington Parish Council	1,519	5,074	6,593
West Grinstead Parish Council	1,870	5,525	7,395
West Hoathly Parish Council	1,432	4,755	6,188

Scheduled Body	Employee Contributions	Employer Contributions	Total
West Itchenor Parish Council	617	2,153	2,769
West Sussex County Council	18,005,399	57,494,547	75,499,945
Westbourne Parish Council	1,425	4,716	6,141
Westhampnett Parish Council	702	2,325	3,028
White Meadows Primary Academy	46,955	176,955	223,909
Whytemead Primary School	11,641	45,853	57,494
Woodard Academies Trust	53,225	113,838	167,064
Woodgate Primary School	13,074	48,633	61,708
Woodmancote Parish Council	123	430	553
Worth Parish Council	3,088	9,487	12,575
Worthing Borough Council	27,829	1,485,738	1,513,567
Worthing High School	78,968	250,428	329,396
Total	36,978,816	118,710,742	155,689,558

Admitted Body	Employee Contributions	Employer Contributions	Total
Anti Graffiti Solutions Ltd	2,277	7,496	9,772
Balfour Beatty 2020	19,242	70,201	89,443
Care Quality Commission	2,471	0	2,471
Carers Support (2017)	2,049	6,683	8,731
Caterlink (Bourne Community College)	561	2,529	3,089
Caterlink (Shoreham Academy)	307	1,154	1,461
Change, Grow, Live	2,469	7,255	9,725
Change, Grow, Live 2023	2,603	7,507	10,110
Churchill (River Beach Primary School)	4,720	19,393	24,113
Churchill (St Marys Primary School)	304	1,145	1,449
Churchill (Billinghurst Primary School)	654	2,567	3,221
Churchill (Bishop Tufnell)	1,472	6,636	8,108
Churchill (Felpham Community College)	1,483	5,588	7,071
Churchill (Fordwater Primary School)	1,332	5,230	6,561
Churchill (Meads Primary School)	176	693	870
Churchill (St Joseph's C of E Infant School)	170	876	1,046
Churchill (Steyning Grammar School)	2,655	11,923	14,578
Churchill (The Forest)	834	2,486	3,320
Churchill (Yapton Primary School)	365	1,395	1,760
Energy Kidz Ltd (Aurora Academies Trust)	1,042	8,419	9,461
Essex Carers Ltd (2017)	17,360	116,977	134,338
Firefighters Charity	1,965	0	1,965
Grace Eyre Northern	1,139	4,170	5,309
Grace Eyre Western	914	3,337	4,251
Homes & Communities Agency	44,858	0	44,858
Martlet Homes Pool	101,168	328,326	429,494
Mears 2020	6,860	22,358	29,217

Admitted Body	Employee Contributions	Employer Contributions	Total
Medisort Ltd	1,268	4,284	5,552
Muntham House School	95,191	295,717	390,907
NSL Ltd (2018)	4,096	11,217	15,313
Places for People Leisure Ltd (Mid Sussex)	29,335	100,464	129,799
PPP Taking Care	12,102	34,850	46,952
Ridge Crest Cleaning (Littlehampton Academy)	529	3,135	3,664
Ridge Crest Cleaning Ltd (Manor Field Primary)	482	2,174	2,657
Ridge Crest Cleaning Ltd (St Francis of Assisi)	165	649	815
Royal Society for the Protection of Birds	2,044	7,014	9,059
Saxon Weald Homes	269,003	1,074,124	1,343,127
Schoolsplus Ltd	670	2,399	3,069
Shaw Healthcare Ltd	15,510	0	15,510
Shoreham Port Authority	330,377	932,648	1,263,025
SLM Community Leisure Charitable Trust	26,564	0	26,564
SLM Fitness & Health Ltd	7,537	0	7,537
SLM Food & Beverage Ltd	1,788	0	1,788
Southdowns Leisure	66,918	182,224	249,142
The Grace Eyre Foundation	6,105	22,221	28,326
Wates	4,717	15,313	20,030
Wealden Leisure Ltd t/as Freedom Leisure	19,928	97,152	117,080
West Sussex Music Trust	11,680	20,571	32,250
Worthing Theatres & Museums	43,259	112,568	155,826
XMA	13,200	43,864	57,064
Total	1,183,915	3,606,930	4,790,845

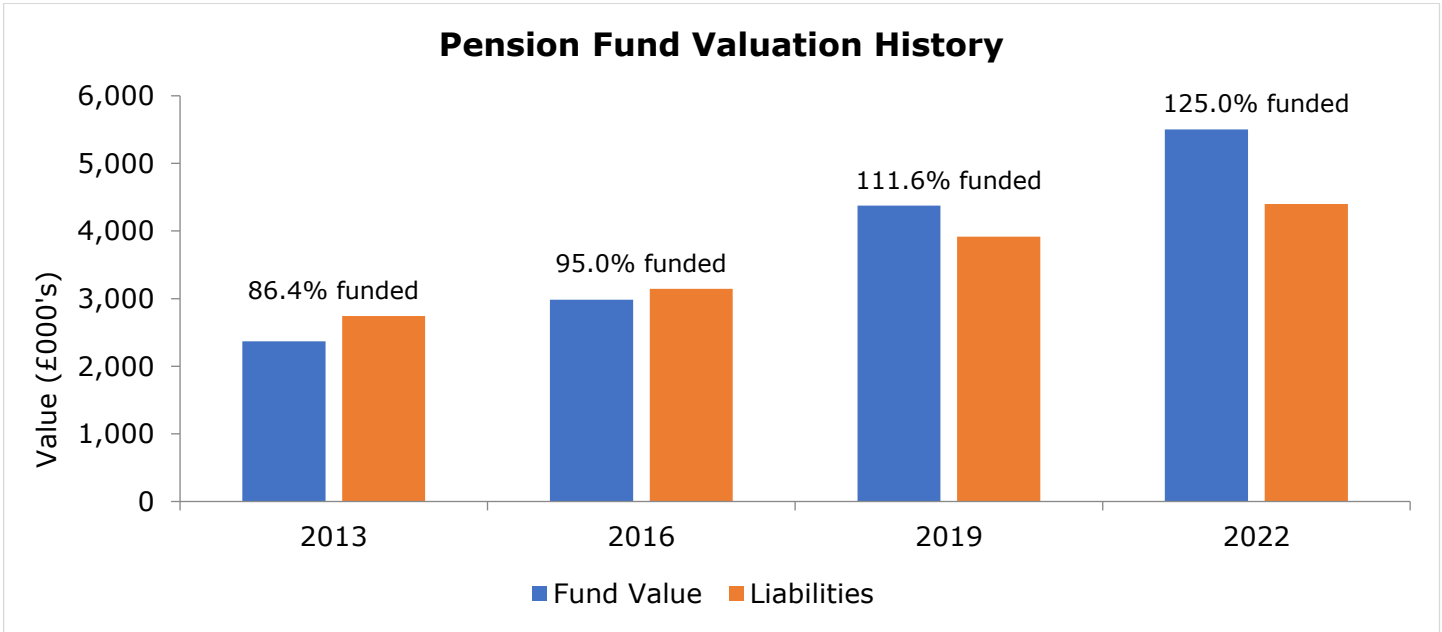
Actuarial Report on Funds

The actuarial statement can be found in note 19 in the Statement of Accounts. The most recent [Actuarial valuation](#) (March 2022) sets out the employer contribution rates for the following 3 years.

Funding Position

A key health check of the Pension Fund’s performance is the Pension Fund’s valuation which is carried out by the Fund’s actuary every three years.

Work has been completed on the 31 March 2022, the funding level at this date was 125%, (31 March 2019: 112%, 31 March 2016: 95%).



External Audit Opinion

External Audit Certificate to follow

Additional Information

Internal Audit

The internal audit team are responsible for evaluating the effectiveness of the risk management, control and governance processes to support the risk framework. During the year six audits were undertaken as set out below and Southern Investment Audit Partnership (SIAP) also provide an annual report on all audits undertaken to the [Regulation, Audit and Accounts Committee](#) every July.

The internal audit work is in addition to the external audit which is carried out by Ernst & Young LLP and takes place annually. The external audit focuses on the Pension Funds Financial Statements and ensuring that they are prepared in line with CIPFA's Code of Practice.

Title	Scope	Outcome / Opinion
National Fraud Initiative	The Cabinet Office's National Fraud Initiative runs every two years, the most recent one being October 2022. This project provides identification of potential inappropriate payment because of a member being deceased. Of the 258 possible cases identified 4 required further investigation and 1 case of recovery remaining.	Ongoing
Employer Contributions 2023/24	To provide assurance that all contributions to the fund from employers are accurate, collected promptly and comply with any relevant policies, procedures and the pension regulations.	Reasonable Assurance
Pensions Processes	To provide assurance over two areas of pensions activity (transfers and deaths) from the point of entry to the West Sussex Pension team from Hampshire Pension Services.	Reasonable Assurance
Employer Admissions	To provide assurance that employer admissions and management responsibilities are in line with current regulations and there is effective governance and processes in place to onboard employers timely.	Ongoing
Pension Refunds	To assess that there are appropriate arrangements to ensure all refunds are valid, accurate and are paid promptly to the correct recipients following a validated request to withdraw from the scheme administered by Hampshire Pension Services.	Substantial assurance
UPM – Application Review	Assurance over the management of the UPM application, including supporting infrastructure such as servers, databases, pre-production environments and system changes.	Reasonable assurance
Pensions payroll and benefit calculations	Annual review to provide assurance that systems and controls ensure that: <ul style="list-style-type: none">• Lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients.• All changes to on-going pensions are accurate and timely.• Pension payroll runs are accurate, complete, timely and secure with all appropriate deductions made and paid over to the relevant bodies.	Substantial assurance

Additional Voluntary Contributions (AVCs)

Active members of the Fund have can contribute additional funds through AVCs. This is a cost-effective way of increasing retirement benefits as pension contributions qualify for immediate tax-relief through their employer's PAYE system.

An AVC plan is an investment. The amount in an individuals account depends on how much and for long they pay AVC's for, the impact of charges and how well the fund(s) they invest in perform. The value of an AVC can go up as well as down.

The Pension Fund's in-house AVC provider is Legal & General (L&G).

At 31 March 2024 there were 939 members (796 active members and 143 deferred members) participating in the AVC arrangement, an increase of 22.58% from 1 April 2023.

Assets managed by L&G on behalf of Pension Fund members was £9.387m on 31 March 2024.

Each year L&G will produce an AVC benefit statement for each member.

Every year the Pension Fund receives a value assessment on the AVC arrangement to ensure it remains value for money. This looks at charges, quality and suitability and follows the approach advocated as good practice by the Pensions Regulator. The Pension Fund advisers have concluded that the AVC arrangements give good value for members.

Pension Fund Documents (PDF)

[Administration Strategy](#) - a statement outlining the policies and performance standards aimed at providing high quality pensions and administration service. The strategy is effective from 4 March 2019.

[Actuarial Valuation](#) - produced by the Fund Actuary and sets out employer contribution rates for a 3 year period and calculates the funding position.

[Administering Authority Discretions](#) - sets out how the Pension Fund applies provisions of the Scheme that are discretionary. Employers will maintain their own discretions policy which relate to decisions they can make under the Scheme. Please note The Local Government Pension Scheme (LGPS) is a statutory scheme. The rules and regulations governing the scheme are laid down under Acts of Parliament.

[Breaches Policy](#) - specifies the Fund's procedures for the identification and reporting of breaches of statutory requirements to the Pensions Regulator.

[Business Plan](#) - this annual plan considers performance against the Fund's objectives during the year and sets out the future priorities.

[Communications Policy Statement](#) - states how the Fund will communicate with members, representatives of members, prospective members and employing authorities.

[Funding Strategy Statement](#) identifies how employers' pension liabilities are best met going forward (whilst maintaining as near as possible constant employer contribution rates) and sets out how the Fund will take a prudent long term view of funding those liabilities.

[Governance Policy and Governance Compliance Statement](#) - two statements which detail the Fund's governance and stewardship arrangements and report the extent of compliance against a set of best practice governance principles.

[Internal Dispute Resolution Procedure \(IDRP\)](#) - provides members with a formal complaint procedure if they are not satisfied with any decision affecting their pension benefits held within the scheme.

[Investment Strategy Statement](#) - outlines how investment decisions are made, the types of investment held, risk and corporate governance.

[Training Strategy](#) - establishes the skills and knowledge required for members of both the Pension Committee and Pension Advisory Board to perform their roles.

[West Sussex County Council Code of Conduct](#) - details the responsibilities of members and staff, which should be complied with by Pension Committee members, Pension Advisory Board members and Officers.

Contact and Services

Key services provided to pensioners, members and employing bodies:

- Paying out benefits to pensioners and beneficiaries,
- Paying death grants to beneficiaries,
- Collecting employer and employee contributions from employers,
- Maintain members accurate accounts,
- Providing information when requested to members,
- Providing annual benefit statements,
- Investing assets of the Pension Fund.

Self-service portal

This is a secure portal for members. To sign in or register for the online pension services please visit the [website](#).

Members will be able to look at their annual benefit statement and also notify the Fund of change in circumstances such as address. Any notifications online can be dealt with by the administration team in a rapid and efficient manner.

Key information sources for members

Details of information relevant to West Sussex Pension Fund members is held on the administrators [website](#).

Contacting us

Email: pensions@hants.gov.uk

Phone: 01962 845588

Or by writing to:

Hampshire Pensions Services
The Castle
Winchester
Hampshire
SO23 8UB

Ensuring accuracy and confidentiality

The West Sussex Pension Fund website includes the Fund [Privacy Notice](#) and the [compliments and complaints procedure](#).

LGPS Member and Employer site

The [Local Government Pension Scheme](#) has a national website for members of the LGPS in England and Wales. It provides information on how to join the LGPS and gives details about the scheme.

The Local Government Association also hosts a website for [LGPS employers](#) and pension funds in England and Wales. It provides information on the Scheme Regulations and other guides and resources on LGPS administration.

Money and Pensions Service & The Pensions Ombudsman

The Money and Pensions Service is an arm's length body sponsored by the Department for Work and Pensions (DWP). They can help with all kinds of pension questions.

Website address: <https://moneyandpensionsservice.org.uk/>

Phone: 0800 138 7777

Address: Money and Pensions Service
120 Holborn
London
EC1N 2TD

The Pensions Ombudsman is an independent organisation set up by law to investigate complaints about Pension Administration.

Website address: <https://www.pensions-ombudsman.org.uk/>

Email: enquiries@pensions-ombudsman.org.uk

Phone: 0800 917 4487

Address: 10 South Colonnade
Canary Wharf
E14 4PU