



**Buckinghamshire
Council**

Buckinghamshire Pension Fund



Pension Fund **Annual Report**



Local Government
Pension Scheme

Year ending March 2024
Pension Scheme Reg no. 10123049

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Introduction

Introduction by the Assistant Chief Finance Officer (Pensions and Projects)

As Assistant Chief Finance Officer (Pensions and Projects), I am delighted to present the annual report and accounts of the Buckinghamshire Pension Fund. The Fund is part of the Local Government Pension Scheme (LGPS) which is administered by The Pensions and Investments Team at Buckinghamshire Council (BC). The aim of the annual report is to set out the Fund's financial position at 31 March 2024 and to provide an overview of the Fund's key activities over the last financial year.

Report highlights

- Membership of the Fund increased by 2.11% from 86,773 at 31 March 2023, to 88,601 at 31 March 2024
 - The Fund processed 1,200 retirements during 2023/24
 - The Fund paid a total of £148,251,000 in pension benefits
 - The Fund collected a total of £179,360,000 in contributions
 - Net assets available to Fund benefits were £4,138,251,000
 - On 31 March 2024, 97.7% of the Fund's assets had been transitioned to the Brunel Pension Partnership
-

'My pension online' platform upgrade

The Fund is committed to increasing digital access and improving the services we offer to our members. In December 2023 we upgraded our member online portal to a new host platform. The new portal has a modern layout and offers new features such as a retirement planner and annual benefit statement dashboard. Enquiries to the team increased significantly during the transition period and the team worked hard to ensure all members were supported to move to the new portal. In 2024/25 we will further promote the use of the new portal to those who haven't yet registered. The new platform presents opportunities to develop our digital offering and we will look to implement additional functionality in the future.

Fund management

The asset value of the Buckinghamshire Pension Fund at the end of March 2024 was £4.137 billion. In the year to 31 March 2024 the annual return was 10.3% compared to the benchmark return of 11.9%, an underperformance of 1.6%. In the three years to 31 March 2024, the Fund achieved an annualised return of 3.8%, an underperformance of 1.1% compared to its 4.2% benchmark for that period.

Looking ahead

2024/25 will see the Fund work to implement key legislative changes while preparing for future projects.

During 2023/24, work to implement the McCloud remedy has been well underway and will continue this year. The vast majority of data required for the remedy period of 1 April 2014 to 31 March 2022 has been received from scheme employers. Validation and verification checks are taking place to ensure any underpin calculation is available for inclusion in the 2024/25 annual benefit statement exercise, along with bulk calculation processes to reassess benefits paid during the remedy period.

Preparation will also take place to implement Pensions Dashboards, the Government's initiative to enable individuals to access their pensions information online, securely and all in one place. The Fund is working closely with its pension administration system supplier to ensure connection by the public sector pension scheme deadline of 31 October 2025.

impact of climate change. More information on the Fund's position can be found in the [Environmental, Social and Corporate Governance policy](#) which can be read alongside the [Investment Strategy Statement](#). We anticipate that the Government will issue requirements for the LGPS to report against various metrics and targets on climate risk and opportunity.

Buckinghamshire Pension Fund pools its assets alongside 9 other Funds under the Brunel Pension Partnership. 97.7% of the Fund's assets have now been transitioned to the Brunel Pension Partnership who have set out an intention to align its investments with the targets set under the Paris Agreement (which aims to limit climate change to below 2°C, preferably to 1.5°C, compared to pre-industrial levels) in relation to greenhouse gas emissions and carbon neutrality. Brunel have committed to a 50% reduction in emissions by 2030 (relative to emissions reported as at 31 December 2019), and to net zero by 2050. More information can be found in [Brunel's Responsible Investment Policy Statement and Climate Change Policy](#).

As ever, there are many expected changes and pressures, both administrative and financial, that the Fund will face over the coming years. We are confident that we can continue to deliver a high-quality service to all our stakeholders.

We welcome your comments on this publication, or on any other matter relating to the Buckinghamshire Pension Fund. Contact details can be found at the end of this report.



Mark Preston
Assistant Chief Finance Officer (Pensions and Projects)
Buckinghamshire Council
Buckinghamshire Pension Fund

About the Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a statutory public service pension scheme with 6.39 million members in England and Wales. The LGPS scheme regulations are determined nationally; however, the scheme itself is administered and managed locally by 86 Funds in England and Wales. Unlike the other public sector pension schemes, the LGPS operates on a funded basis. There is no single set of accounts; each Fund is responsible for meeting its own liabilities. Valuations are carried out locally to ensure sufficient assets and to set employer contribution rates accordingly.

LGPS benefits

The LGPS is a defined benefit scheme providing benefits to scheme members according to salary and length of service. On 1 April 2014, the scheme changed from a final salary scheme to a Career Average Revalued Earnings (CARE) scheme. All scheme members moved to the CARE scheme in 2014, however, any pension benefits built up before this date continue to be calculated on a final salary basis.

The table below sets out the key features of the LGPS.

Feature	LGPS 2014
Type of scheme	Safeguarded, defined benefit, CARE scheme
Accrual Rate	1/49 th (or 1/98 th in the 50/50 scheme)
Revaluation Rate	Consumer Price Index (CPI)
Pensionable Pay	Pay including non-contractual overtime and additional hours
Contribution Flexibility	50/50 section allows members to pay 50% of their usual contributions for 50% of the usual pension benefits Members can choose to pay towards Additional Pension Contributions (APCs) or Additional Voluntary Contributions (AVCs) to build up additional pension benefits in the scheme
Normal Pension Age	Equal to State Pension Age (minimum age 65)
Minimum Pension Age	55 (rising to 57 from 2028)
Lump Sum Commutation	£1 of annual pension provides £12 of lump sum up to a maximum of 25% of the total pension pot
Death in Service Lump Sum	3 x Pensionable Pay
Death in Service Survivor Benefits	1/160th accrual based on Tier 1 ill health pension enhancement
Ill Health Provision	Tier 1 - Immediate payment with service enhanced to Normal Pension Age (NPA) Tier 2 - Immediate payment with 25% service enhancement to Normal Pension Age Tier 3 - Temporary payment of pension for up to 3 years Pension can also be paid early due to ill-health from deferred status
Indexation of Pension in Payment	Consumer Price Index (CPI)
Vesting Period	2 years

Employer contributions

Employer's contribution rates are assessed at the triennial valuation and set based on each employer's individual liabilities. The last valuation took place on 31 March 2022 setting employer contributions rates for the period 1 April 2023 to 31 March 2026. The next valuation will take place on 31 March 2025 and will be used to set employer contribution rates for the period 1 April 2026 to 31 March 2029. Employer contributions have an important role in funding the cost of scheme benefits. Employer contribution tables showing each individual employer's contribution rate are [available online](#).

Employee Contributions

Employee contributions are set at a national level and are adjusted on 1 April each year in line with any increase to the CPI. An individual's contribution rate is determined by their pensionable pay. Since 1 April 2014 pensionable pay includes all actual pay, including contractual and non-contractual overtime, and any other emoluments deemed as pensionable. The total pensionable pay will fall into one of 9 bands and corresponding contribution rates. Scheme employers are responsible for determining the band for each employee. Employers must review contribution rates when any material change to a member's pay occurs, and at least once a year. Contributions are deducted directly from an employee's salary before tax is deducted and therefore benefit from tax relief.

The table below sets out contribution bands for the period 1 April 2023 to 31 March 2024.

Band	Pay Bands (Actual pensionable pay)	Contribution Rate Main Section	Contribution Rate 50/50 Section
1	Up to £16,500	5.5%	2.75%
2	£16,501 to £25,900	5.8%	2.90%
3	£25,901 to £42,100	6.5%	3.25%
4	£42,101 to £53,300	6.8%	3.40%
5	£53,301 to £74,700	8.5%	4.25%
6	£74,701 to £105,900	9.9%	4.95%
7	£105,901 to £124,800	10.5%	5.25%
8	£124,801 to £187,200	11.4%	5.70%
9	£187,201 or more	12.5%	6.25%

Retirement benefits

Normal Pension Age (NPA) before 1 April 2014 was 65 for most people. NPA for pension benefits built up after 1 April 2014 is the same as State Pension Age (minimum age 65) and the scheme is funded on this basis. However, members can choose to voluntarily retire between age 55 (increasing to 57 on 6 April 2028 in line with national legislative changes) and age 75.

A member may have more than one NPA within a single pension account due to the historical changes in NPA. However, when a member releases their pension benefits in respect of a single pension account, they must do so in its entirety. As a safeguarded benefit, the LGPS offers no flexible draw down options.

If a member voluntarily retires before NPA, early retirement reductions are applied to their benefits. The reductions are based on actuarial assumptions that the pension is likely to be in payment for a longer duration. If a member retires after NPA, late retirement increases are applied. The value of any reduction or increase is based on factors set by the Government Actuary's Department (GAD) and are adjusted depending on how early or late a pension is being released. Information about reductions and increases are available on the [Buckinghamshire Pension Fund website](#).

Calculation of pension

Final salary pension benefits built up before 1 April 2014 are calculated when someone leaves the scheme or retires. Final salary pension benefits built up before 1 April 2008 are calculated as:

Membership (years and days) x Final salary x 1/80 = Pension

Final salary pension benefits built up between 1 April 2008 and 31 March 2014, are calculated as:

Membership (years and days) x Final salary x 1/60 = Pension

CARE pension benefits, built up after 1 April 2014, are calculated on an annual basis, revalued according to CPI at the end of the scheme year, and added to the member's pension account. This amount is then carried forward to the following year. The example below shows the calculation for three years' worth of accrual under the CARE scheme:

Year 1: Pensionable pay x 1/49 x Revaluation % = Year 1 pension balance

Year 2: Pensionable pay x 1/49 + Year 1 pension balance x Revaluation % = Year 2 pension balance

Year 3: Pensionable pay x 1/49 + Year 2 pension balance x Revaluation % = Year 3 pension balance

Certain protections also exist in the scheme that allow qualifying members to have their post 1 April 2014 pension benefits calculated on a final salary basis, where it is beneficial.

Lump sum

An automatic lump sum is paid in addition to an annual pension for members who joined the scheme before 1 April 2008. This is calculated as:

Membership (years and days) x Final salary x 1/80 x 3 = Lump Sum

All members have the option of exchanging some of their annual pension to create a tax-free lump sum. Each £1 of annual pension given up, will provide £12 of lump sum, up to a maximum of 25% of their total pension pot.

Ill Health Retirement

If a member's employment is terminated due to ill health, they are entitled to receive full pension benefits paid immediately at the value accrued to the date of termination, regardless of age, without reductions. In cases of severe ill-health, there is also an enhancement paid. To qualify for ill-health retirement, the member must have met the two-year vesting period, be permanently unable to perform their current role until NPA and not be immediately able to take up gainful employment for a period of at least one year.

Upon meeting these criteria, a tier is assigned depending on the severity of the illness and the likeliness of the member being capable of undertaking gainful employment before NPA. The features of each tier are set out in the table below. Tiers 1 and 2 are payable for life. A tier 3 ill-health pension is payable for a maximum of three years.

Tier	Requirements	Enhancement Paid
1	Member is unlikely to be capable of undertaking gainful employment before NPA	Full enhancement to NPA
2	Member is likely to be capable of undertaking gainful employment before NPA	25% enhancement to NPA
3	Member is likely to be capable of obtaining gainful employment within 3 years of the date employment ended	No enhancement

A deferred member may also have their pension released early due to ill-health. Ill-health pensions for deferred members operate on a single tier and there are no enhancements paid.

Death benefits

Survivor pensions are payable for a spouse, civil partner or a cohabiting partner. Children's pensions are also payable to eligible children under age 18, those between the ages of 18 and 23 if in full time education, or dependants deemed to be mentally or physically incapacitated.

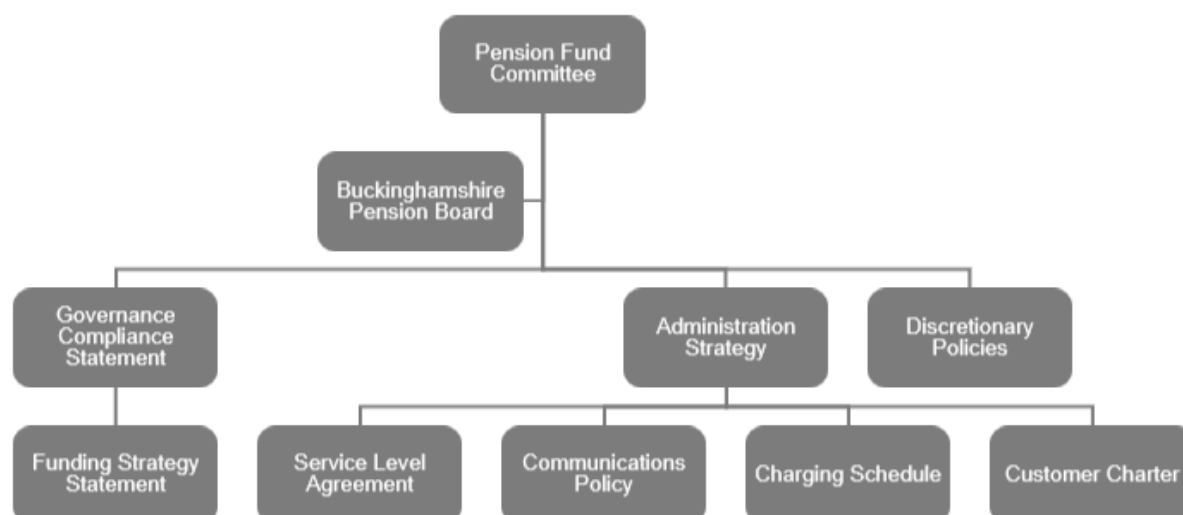
Death grants are one off lump sums payable to a nominated beneficiary or a deceased member's estate. For active members, there is a death in service lump sum payable of 3 x pensionable pay.

A pensioner will receive a death grant if they die before age 75 and retired within 10 years of their death. The death grant in this circumstance is 10 years annual pension less the pension already received.

Deferred members who ceased active membership after 1 April 2008 will receive a death grant of 5 x the annual pension. Deferred members who ceased active membership before 1 April 2008 will receive a death grant equivalent to the automatic lump sum. If the deferred member also has an active LGPS account or pensioner account, they will receive the death grant with the highest value, not both.

Buckinghamshire Pension Fund Policies

The Local Government Pension Scheme (England and Wales) Regulations provide the statutory framework within which LGPS administering authorities are required to publish governance policy and governance compliance statements. The diagram below shows how these policies interact with each other and the Fund's governance and administration arrangements.



A link to statutory policies in place during 2023/24 can be found below. Hard copies of policies can be provided upon request.

Policies are reviewed at least triennially and upon any significant changes. For the most up to date versions of policy statements, please refer to our website at: lgps.buckinghamshire.gov.uk

[Funding Strategy Statement](#)

The Funding Strategy Statement, prepared in accordance with Regulation 58 of the Local Government Pension Scheme Regulations 2013, describes Buckinghamshire Council's funding strategy, in its capacity as administering authority of the Fund. The purpose of this Funding Strategy Statement (FSS) is to:

- Establish a clear and transparent fund-specific strategy that will identify how employers' pension liabilities are best met going forward.
- Support the desirability of maintaining as nearly constant a primary contribution rate as possible, as defined in Regulation 62(6) of the Regulations.
- Ensure that the regulatory requirements to set contributions to meet the future liability to provide Scheme member benefits in a way that ensures the solvency and long-term cost efficiency of the Fund are met; and
- Take a prudent longer-term view of funding those liabilities

[Investment Strategy Statement](#)

The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 requires administering authorities to formulate and to publish an Investment Strategy Statement, in accordance with guidance issued by the Secretary of State. The Statement sets out the principles that guide the Pension Fund Committee when making decisions about the investment of the Fund's assets. It also sets out the framework for investing the Fund's assets which is consistent with the funding strategy, as set out in the Funding Strategy Statement. The Statement is an important governance tool for the Fund, as well as providing transparency in relation to how the Fund's investments are managed.

Governance Compliance Statement

Regulation 55 of the LGPS Regulations 2013 requires an administering authority to prepare and publish a governance compliance statement. The aim is to set out the Council's arrangements for discharging its responsibilities as the administering authority in accordance with the Local Government Pension Scheme (LGPS) Regulations 2013.

Pension Administration Strategy

The Pension Administration Strategy, prepared in accordance with Regulation 59, aims to detail the procedures for liaison and communication, and to establish levels of performance for both the administering authority and scheme employers. It endeavours to promote good working relationships, provide transparency and improve efficiency and quality. It specifies how performance levels will be monitored and action that can be taken if targets are not met.

Communications policy statement

Regulation 61 of the LGPS Regulations 2013 requires Funds to prepare, maintain and publish a written statement setting out its policy concerning communications, in particular this Statement sets out the Fund's policy regarding:

- The provision of information and publicity about the Scheme to members, employers and representatives of members participating in the Fund
- The promotion of the Scheme to prospective members and their employers

Overall management of the Fund

Scheme managers and advisors

Administering Authority	Buckinghamshire Council (BC)
Pension Fund Committee	Cllr Timothy Butcher – Chair Cllr Ralph Bagge – Vice Chair Cllr Alex Collingwood Cllr Ed Gemmell Cllr Tuffail Hussain Cllr Iain Macpherson Cllr Matthew Walsh Cllr Jennifer Wilson-Marklew – Milton Keynes City Council PCC Matthew Barber –Thames Valley Police
Scheme Administrators	The Pensions and Investments Team at Buckinghamshire Council
Asset Pool and Asset Pool Operator	Brunel Pension Partnership
Advisors	Mercer Investment Consulting Carolan Dobson
Fund Legal Advisor	Buckinghamshire Council Legal Team
Fund Managers	Legal and General Investment Management Pantheon Private Equity Partners Group
Actuary	Barnet Waddingham LLP
Custodian	State Street
External auditor	Grant Thornton UK LLP
Bankers to the Fund	Barclays Bank
AVC Providers	Scottish Widows Prudential
Assistant Chief Finance Officer	Mark Preston
Pensions and Investments Manager	Julie Edwards
Pensions and Investments Accountant	James Gilliland

Risk Management

The Buckinghamshire Pension Fund recognises that risk is inherent in many of its activities and works to ensure that such risks are managed in the interest of the Buckinghamshire Pension Fund. The Buckinghamshire Pension Fund's statutory documentation and accounts contain the required sections detailing the Fund's approach to the various types of risks it faces across its operations, together with how the Fund aims to mitigate each of these. In particular:

- The Governance Compliance Statement reviews the risk areas and mitigation approach within the Fund's management and governance structure
- The Investment Strategy Statement covers risk measurement and management in an investment sense; and
- The Funding Strategy Statement includes a section, prepared in conjunction with the Fund's actuary, on the identification of risks and countermeasures in relation to the Fund's funding position and investment strategy

The Buckinghamshire Pension Fund accounts contain a detailed section on the nature and extent of the risks arising from Financial Instruments, including detailed sensitivity analysis of the potential monetary impact to the Fund of the varying financial risks.

In addition, the Buckinghamshire Pension Fund maintains a Risk Register which identifies areas of focus for risk management. The risk register is reviewed by the Buckinghamshire Pension Fund Committee biannually. Risks detailed on the register are measured in accordance with Buckinghamshire Council's risk management framework. A target is set against each area of risk as well as any actions required.

The 2023/24 risk register was reviewed in March 2024 identifying 24 risks; 14 related to Pensions and Investments generally and 10 related to Pensions and Investments Administration. A new risk covering cyber risk was added to the risk register. Key risks to investments include significant downturns in particular geographical sectors and returns which underperform envisaged outcomes. During the year the Buckinghamshire Pension Fund worked towards mitigating risks to investments by monitoring investment strategy. The Pension Fund Committee agreed a revised Investment Strategy Allocation in July 2023. Areas monitored by the risk register in relation to administration include staffing, employer performance, software and changes to government legislation.

Governance and Training

The Buckinghamshire Pension Fund Committee (PFC)

The Pensions and Investments Team at Buckinghamshire Council is the administering authority for Buckinghamshire Pension Fund. The Pension Fund Committee (PFC) is responsible for:

- Determining the overall investment objectives for the Fund as set out in the Fund's Investment Strategy Statement
- The Fund's asset allocation policy
- Approving the Funding Strategy Statement, Investment Strategy Statement, Governance Compliance Statement, Pension Administration Strategy, and the Communications Policy
- Monitoring Fund performance and scheme governance
- Appointing firms to provide investment and actuarial advice to the Fund
- Monitoring the performance of Brunel in their delivery of investment services to the Fund
- Making representations to the Brunel Oversight Board on matters of concern regarding the service provided by Brunel and the performance of its portfolios
- Any other matters relating to the management and investment of the Pension Fund, as required

The Buckinghamshire Pension Fund Committee approved the Governance Compliance Statement in March 2024. The Committee is required to set out the Council's arrangements (in its capacity as administering authority of the Buckinghamshire Pension Fund), for discharging its responsibilities in accordance with Regulation 55 of the LGPS Regulations 2013. There were no material changes required to the Governance Compliance Statement. A summary of compliance with recommended good practice is outlined below:

Good Practice Requirement	Met/Not Met	Evidence
Structure		
The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing Council.	Met	Pension Fund Committee (PFC) Terms of Reference
That representatives of LGPS Scheme employers and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	Met	PFC Terms of Reference and Buckinghamshire Pension Board (BPB) Terms of Reference
That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	Met	PFC meets at least four times per year and BPB meets four times per year. BPB minutes are on the PFC agenda and vice-versa
Representation		
That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include: - i) Scheme employers (including non-local government employers, e.g. admitted bodies); ii) Scheme members (including deferred and pensioner scheme members), iii) Independent professional observers, and iv) Expert advisors (on an ad-hoc basis).	Met	Key stakeholders on PFC or BPB as per Terms of Reference i) PFC and BPB ii) BPB iii) PFC and BPB iv) PFC and BPB

That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.	Met	<p>All PFC members and advisers get all papers except where it concerns them.</p> <p>BPB members are provided with relevant training as required under The Pensions Regulator's General code of practice.</p>
Selection and role of lay members		
That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.	Met	This is set out in the Committee's terms of reference.
Voting		
The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees.	Met	<p>Section 1.17 of the PFC Terms of Reference confirms all 9 members have voting rights. Section 1.18 confirms members have quasi-trustee status and substitutions are not permitted. PFC's Quorum is 3 members. BPB has 4 employer representatives and 4 scheme member representatives. The Terms of Reference confirms the Quorum is 4 Board members, comprising of at least 2 employer and 2 scheme member representatives. Substitutions are not permitted.</p>
Training/facility time/expenses		
That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.	Met	<p>Training for PFC members is undertaken annually as detailed by the PFC training plan.</p> <p>This organisation has adopted the key recommendations of the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills. Reimbursement of Expenses is defined in the BC constitution.</p> <p>Training for BPB members is undertaken in accordance with The Pensions Regulator's General code of practice.</p>

That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form of secondary forum.	Met	Reimbursement of expenses is defined in BC Constitution.
Meetings (frequency/quorum)		
That an administering authority's main committee or committees meet at least quarterly.	Met	PFC Terms of Reference.
That an administering authority's secondary committee or panel meet at least quarterly and is synchronised with the dates when the main committee sits.	Met	BPB Terms of Reference.
Access		
That subject to any rules in the council constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.	Met	Confirmed that this applies by Democratic Services.
Scope		
That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.	Met	PFC forward plan requires Pensions & Investment Team managers to attend meetings to discuss and raise issues outside the usual scope of Pension Fund Investment.
Publicity		
That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.	Met	All non-confidential agendas, papers and minutes are on Buckinghamshire Council's external website. There is a separate policies section on the website where all governance policies are available.

PFC Membership for 2023/2024

The PFC is made up of 9 elected members including representation from Thames Valley Police and Milton Keynes City Council.

Cllr Timothy Butcher – Chair
 Cllr Ralph Bagge – Vice Chair
 Cllr Alex Collingwood
 Cllr Ed Gemmell
 Cllr Tuffail Hussain

Cllr Iain Macpherson
 Cllr Matthew Walsh
 PCC Matthew Barber –Thames Valley Police
 Cllr Peter Marland (until 14/11/2023)
 Cllr Jennifer Wilson-Marklew (from 15/11/2023)

PFC Meeting attendance Matrix 2023/24

	Chair (TB)	Vice (RB)	BC Cllr (AC)	BC Cllr (EG)	BC Cllr (IM)	BC Cllr (MW)	MKC Cllr (PM)	TVP PCC (MB)	BC Cllr (TH)	MKC Cllr (JW-M)
05/07/2023	Y	Y	Y	Y	Y	N	N	N	N	N/A
27/09/2023	Y	Y	Y	Y	Y	Y	N	N	N	N/A
15/11/2023	Y	Y	N	Y	N	Y	N/A	N	N	Y
13/03/2024	Y	Y	N	N	Y	Y	N/A	N	N	N

All meetings are conducted face to face in line with regulatory requirements. All members of the PFC have voting rights. PFC Members are required to disclose any declarations of interest at the beginning of each PFC meeting.

Training offered to PFC members in 2023/24 included:

- Asset Class Training presented by Mercer
- Brunel Investor Day 2023
- Climate Related Metrics Training by Mercer
- SAB Codes of Transparency webinar
- Mercer Quarterly Economic and Market Outlook webinar – October 2023

The Buckinghamshire Pension Board (BPB)

The Buckinghamshire Pension Board (BPB) assists the administering authority with governance and administration of the Scheme. The BPB is made up of an equal number of member and employer representatives.

BPB Membership for 2023/24

Roona Ellis – Scheme employer representative (Chair)

Ian Thompson – Scheme member representative (Vice-Chair)

Bev Black – Scheme employer representative

Pete Dearden – Scheme member representative

Tina Pearce – Scheme member representative

Anna Rulton – Scheme employer representative

Jo Whiteley – Scheme employer representative

BPB meeting attendance matrix 2023/24

	Chair Emp Rep (RE)	Vice Chair Mem Rep (IT)	Emp Rep (BB)	Mem Rep (PD)	Mem Rep (TP)	Emp Rep (JW)	Emp Rep (AR)
Meetings							
19/07/2023	Y	Y	N	Y	Y	Y	Y
26/10/2023	Y	Y	Y	Y	N	Y	Y
13/12/2023	Y	Y	N	Y	Y	Y	Y
27/03/2024	Y	N	Y	Y	Y	Y	Y

Annual Review of the Buckinghamshire Pension Fund Board

The Public Service Pensions Act 2013 introduced the requirement to have a local pension board to assist in the good governance of the scheme.

The Board met four times in 2023/24, 3 in-person meetings and 1 hybrid meeting. The Board consists of 4 Employer and 4 Member representatives. One Member representative role was vacant at the start of the year and has now been recruited to. An attendance rate of 85.71% has been achieved for this year

All members of the Board have equal voting rights.

On 31 March 2024, the Board members were:

Scheme member representatives

Pete Dearden

Tina Pearce

Ian Thompson (Vice-Chair)

Vacant

Scheme employer representatives

Bev Black

Roona Ellis (Chair)

Anna Rulton

Jo Whiteley

Members of the Board are required to disclose any declarations of interest at the beginning of each Buckinghamshire Pension Board meeting.

In accordance with Section 248a of the Pensions Act 2004, every member of the Buckinghamshire Pension Board must be conversant with the rules of the scheme (the Local Government Pension Scheme Regulations), and any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.

Pension Board members must also have knowledge and understanding of the law relating to pensions, and such other matters as may be prescribed.

Accordingly, all members of the Board are encouraged to take advantage of the many training opportunities notified to them by Officers and to maintain their core knowledge via self-study using the Pension Regulator's Public Services toolkit for online learning. This includes modules on conflicts of interest, managing risk and internal controls, maintaining accurate member data, maintaining member contributions, providing information to members and others, resolving internal disputes and reporting breaches of the law.

Other training opportunities offered to and undertaken by Board Members include:

- CIPFA/ISIO Board Member events
- LGA Annual Governance Conference
- LGA Fundamentals Training Programme
- SAB workshop
- TPR Public Sector Toolkit e-learning

At the end of its eighth year since inception, the Board looked back at a busy and varied 12 months. The Board undertook annual reviews of:

- their Terms of Reference, Code of Conduct Policy, Conflicts Policy and the Knowledge and Understanding Framework,
- the Pension Fund Annual Report,
- the Pension Fund Governance Compliance Statement, and
- the Pension Fund Risk Register.

At each meeting of the Board, reports were presented and considered regarding:

- Pension Fund Administration Performance Statistics,
- Pension Fund Administration Year-end Updates,
- Pension Fund Committee agenda and minutes, and
- Pension fund performance.

Ad-hoc reports were presented and considered regarding:

- Additional Voluntary Contributions (AVC) Review,
- Annual Accounts Audit 2021/22; 2022/23
- Breaches of the Law,
- CIPFA Benchmarking,
- Cyber Policy,
- Employer Risk Analysis,
- My Pension Online and i-Connect,
- Internal Administration Benchmarking,
- Internal Disputes Resolution Procedure,
- McCloud Judgement,
- Scheme member and employer communications,
- TPR – General Code of Practice
- Training Opportunities.

In addition, the Board Chairman attended meetings of the Pensions Committee in an ‘observer’ capacity and had regular meetings with senior officers to review Administration and Investments.

Statement from the Chair

It has been a busy twelve months for both the Pension Board and the pension officers. Normal pension services were delivered as planned. Due to the increasing threat of cyber-attacks and the damaging effects it could have on both the pension fund and its members, the Board recommended the development of a new Cyber Policy. This policy was approved by the Pension Fund Committee in November 2023 and adopted by the Fund.

One of the other major improvements to pension services was the “going live” in December of ‘My Pension Online’ on a new and improved platform with enhanced security via a user two factor authentication, and with improved functionality. Plans were also made to encourage more members to sign up for the self-service portal as this would increase the efficiency of the delivery of pension services to members.

The data gathering work for the McCloud Remedy had started during the year in anticipation of the legislation which came into force on 1st October 2023. I am pleased to report that this work has progressed according to plan despite the volume and complex nature of historical data required.

Looking forward to the 2024-25 financial year, it is expected that the amended General Code of Practice (GCoP) for occupational pension schemes, which came into effect on 28th March 2024, will increase the officers’ workload in the coming year. Some of the GCoP requirements are mandatory to Local Government Pension Schemes (LGPS) whilst some are best practice only. Most LGPS funds, including Buckinghamshire Pension Fund, already have a high governance and administration standard, but the implementation of these requirements will need some changes and amendments to existing policies and procedures. The Pension Board will work with and support the pension officers to this end.

Financial performance

Table 1: Three year forecast of income and expenditure

Fund Account	2023/24 Forecast £000	2023/24 Actual £000	2024/25 Forecast £000	2025/26 Forecast £000	2026/27 Forecast £000
Contributions	(176,750)	(179,360)	(191,018)	(200,569)	(205,584)
Transfers in	(17,500)	(29,337)	(17,500)	(17,500)	(17,500)
Other income	(150)	(167)	(150)	(150)	(150)
Total Income	(194,400)	(208,864)	(208,668)	(218,219)	(223,234)
Benefits payable	142,438	148,251	159,370	165,904	172,706
Transfers out	15,000	18,247	15,000	15,000	15,000
Total Benefits	157,438	166,498	174,370	180,904	187,706
Surplus of Contributions over Benefits	(36,962)	(42,366)	(34,298)	(37,315)	(35,528)
Management Expenses	32,500	33,532	35,712	36,961	37,886
Total Income less Expenditure	(4,462)	(8,834)	(1,414)	(354)	2,358
Investment income	(12,500)	(24,643)	(12,500)	(12,500)	(12,500)
Taxes on income	-	(25)	-	-	-
Change in market value of investments	(138,915)	(388,861)	(206,913)	(217,258)	(228,121)
Net return on investments	(151,415)	(413,529)	(219,413)	(229,758)	(240,621)
Net (increase)/decrease in the Fund	(155,877)	(422,363)	(217,999)	(230,112)	(238,263)

Benefits paid increased by £15.25m largely due to the annual pensions increase of 10.1% and an increase in total pensioners of 4% in the year. Total contributions received this year increased by 8%, although the prior year contributions figure included a £5.166m refund of contributions in advance.

Increase in contributions due is in a large part down to the higher accruals posted this year compared to last year. The three biggest increases were Thames Valley Police - £2m, Milton Keynes City Council - £470k and Buckinghamshire Council - £400k. The cash balance increased by £2m.

Table 2: Future assumed return (based on the 2022 valuation)

Future assumed returns	2022
Equities	6.9%
Gilts	2.0%
Bonds	2.8%
Absolute Return Fund	5.6%
Cash	4.9%
Property	6.4%

National Fraud Initiative

BPF participates in the National Fraud Initiative (NFI). The NFI is a data matching exercise carried out by the Cabinet Office to assist in the prevention and detection of fraud. The most common types of fraud identified by the NFI are pension, council tax and state benefit fraud. The cabinet office produces a biennial

report comparing data held by the DWP, local authorities and local authority pension Funds, highlighting possible data matches. This Fund identified 299 matches of which 293 have been processed to date. The remaining cases will be dealt with during 2024/25.

Table 3: Budget vs Outturn report on the management expenses to the Fund

	2022/23 Forecast £000	2022/23 Actual £000	2023/24 Forecast £000	2023/24 Actual £000
Administrative Costs				
Staffing costs	1,851	1,822	2,027	1,932
Transport	3	1	3	1
Supplies and Services	837	879	840	835
Support Services	79	99	70	273
Income	-6	-9	-6	0
Subtotal	2,764	2,792	2,943	3,041
Investment Management Expenses				
Supplies and Services	17,000	27,016*	18,772	29,763
Subtotal	17,000	27,016	18,772	29,763
Oversight and governance costs				
Staffing costs	257	235	315	260
Transport	2	0	2	1
Supplies and Services	459	476	450	449
Support Services	16	8	18	18
Subtotal	734	719	785	728
Total	20,498	21,820	22,500	33,532

* The management expenses for 2022-23 have been restated here, owing to an error that led to 2022-23's Investment Management expenses being understated. In particular, these related to the pooled property and pooled equity elements of the portfolio. The figure stated for Investment Management expenses in 2022-23's accounts was £18.309m; it is now considered to be £27.016m, an increase of £8.707m and has been restated accordingly, for ease of comparability between the two financial years.

Table 4: Net Investment statement

Net Investment Statement	2023/24 Forecast £000	2023/24 Actual £000
Long Term Investments	840	840
Equities	181	154
Other Pooled Investments	888,363	1,053,325
Pooled Equities	2,025,253	1,924,005
Pooled Bonds	726,291	881,717
Pooled Property	222,626	222,109

Cash and Other	72,581	56,101
Net investment assets	3,936,135	4,138,251

Table 5: Movement in Assets and Liabilities

Movement in Assets & Liabilities	2023/24 Forecast	2023/24 Actual
Surplus of Contributions over Benefits	36,962	42,366
Management Expenses	(32,500)	(33,532)
Returns on Investments	151,415	413,529
Net increase in the net assets available for benefits during the year	155,877	422,363

Table 6: Five-year analysis of pension overpayments, recoveries and any amounts written off

Year	Payments received for overpayments made £000	Total money recovered from monthly pension payments £000	Total overpayments recovered £000	Total overpayments written off £000	Total overpayments £000
2019/20	36	20	56	6	62
2020/21	10	16	36	7	43
2021/22	30	20	50	6	56
2022/23	10	23	33	10	23
2023/24	40	10	50	3	47

Employee and Employer Contributions due to the Fund

Employers are responsible for paying over employer and employee contributions on a monthly basis to the Fund. The total value of Employee contributions received from **1 April 2023 to 31 March 2024** was **£43.0m**. The total value of Employer contributions received from **1 April 2023 to 31 March 2024** was **£136.3m**.

Table 7: Analysis of the timeliness of receipt of contributions.

	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24
Number of payments received	3,039	3,432	3,321	3,751	4,012
Number of payments late	145	222	204	252	157
Percentage of payments received late	4.77%	6.47%	6.14%	6.72%	3.91%
Percentage of payments received on time	95.23%	93.53%	93.86%	93.28%	96.09%

Table 8: Age of overdue contributions 2023/24

Length of overdue payments	Number
1-3 days late	60
4-10 days late	42
11-30 days late	23
1-3 months late	23
4-7 months late	8
8-11 months	1
Total	157

During 2023/24, the Fund did not exercise its discretion to levy interest on overdue contributions.

Table 9: Average Employer and Employee contributions received from 1 April 2023 to 31 March 2024

Employer	Average Employer's contribution	Average employee's contribution
Abbey View Primary School	22.10%	5.6%
Abbeys Primary School	20.10%	5.2%
Acorn Childcare (Early Years F&W)	21.70%	5.8%
Acorn Early Years (Playzone)	21.70%	5.5%
Acorn Early Years (Rowans)	21.70%	5.8%
Action For Children Services Ltd	24.20%	6.6%
Alfriston School	22.10%	6.1%
Alliance in Partnership (BCC Buckingham Park)	16.00%	5.5%
Alliance in Partnership (Princes Risborough Primary School)	21.80%	4.9%
Ambassador Theatre Group	21.60%	6.5%
Ambient Support (Was Heritage Care)	27.10%	6.0%
Amersham School	22.10%	5.7%
Amersham Town Council	23.70%	6.0%
Ashbrook School	20.10%	5.2%
Ashmead Combined	23.60%	5.5%
Aspen Services Ltd (MK Academy)	25.00%	5.6%
Aspens Services Ltd (Sir William Ramsay School)	24.30%	5.7%
Aspire Schools	22.10%	6.2%
Aston Clinton Parish Council	23.70%	6.1%
Aston Commercial Cleaning Ltd	17.70%	5.5%
AtkinsRealis Ltd	30.70%	7.5%
Avalon Cleaning Systems	32.80%	5.5%
Aylesbury Grammar School	22.10%	6.3%
Aylesbury High School	22.10%	6.2%
Aylesbury Town Council	23.70%	6.7%
Aylesbury University Tech. College - Aylesbury UTC	21.20%	5.7%
Aylesbury Vale Academy	22.10%	6.0%
Balfour Beatty Group	30.70%	8.2%
Barleyhurst Primary School	20.10%	5.7%
Beaconsfield High School	22.10%	6.2%
Beaconsfield School (The)	22.10%	6.2%
Beaconsfield Town Council	23.70%	6.3%
Bearbrook Combined & Pre-school	22.10%	5.7%
Bedgrove Infant School	23.60%	5.4%
Bedgrove Junior School (Academy)	22.10%	5.8%
Beechview Academy	22.10%	5.7%
Berryfields Parish Council (from 01.05.23)	23.70%	6.7%
Birkin Cleaning Services Ltd (Lord Grey Academy)	25.40%	5.5%
Birkin Cleaning Services Ltd (Shenley Brook End School)	26.70%	5.5%
Bishop Parker Catholic Primary	20.10%	5.7%
Bletchley & Fenny Stratford TC	23.70%	6.6%
Bourne End E-ACT Academy	22.10%	6.1%
Bourton Meadow Academy	22.10%	5.6%
Bow Brickhill CofE Primary School	20.10%	5.5%
Bow Brickhill Parish Council	23.70%	5.5%
Bradwell Parish Council	23.70%	6.2%
Bradwell Village Middle School	20.10%	5.8%

Brill CofE School	22.10%	5.6%
Brooklands Farm Primary School	20.10%	6.0%
Brookmead Combined School	23.60%	5.5%
Brooksward School	20.10%	5.8%
Broughton & Milton Keynes Parish Council	23.70%	6.5%
Broughton Fields School	20.10%	5.9%
Brushwood Junior School	23.60%	5.5%
Buckingham Park Parish Council	23.70%	5.7%
Buckingham Town Council	23.70%	6.0%
Buckinghamshire College Group (Aylesbury College)	21.00%	6.2%
Buckinghamshire Council Inc Stokenchurch	23.60%	6.4%
Buckinghamshire LEP (Local Enterprise Partnership) Left 01.03.2024	23.00%	10.7%
Buckinghamshire Music Trust	18.40%	6.8%
Bucks County Museum Trust	24.50%	6.1%
Bucks MK Fire Authority	17.40%	7.1%
Bucks New University	18.40%	7.0%
Bucks Oxford Berks	22.10%	6.8%
Bucks Strictly Education	23.60%	5.6%
Burnham Grammar School	22.10%	6.1%
Burnham Parish Council	23.70%	6.7%
Bushfield School	20.10%	5.8%
Campbell Park Community Council	23.70%	6.5%
Campfire Education Trust	22.10%	7.4%
Caroline Haslett Primary School	20.10%	5.8%
Castlefield School	23.60%	5.9%
Castlethorpe First School	20.10%	5.5%
Caterlink Ltd (Walton High)	21.90%	5.6%
Cedars Primary School	20.10%	5.7%
CH and CO Catering Ltd 01.09.2023	18.80%	5.8%
Chalfont St Giles Parish Council	25.10%	6.9%
Chalfont St Peter CofE Academy	22.10%	5.7%
Chalfont St Peter Parish Council	23.70%	6.5%
Chalfont Valley E-ACT Primary Academy	22.10%	7.6%
Chalfonts Community College	22.10%	6.1%
Charles Warren Academy	22.10%	5.9%
Chenies School (from 01.12.23)	22.10%	5.5%
Chepping View Primary Academy	22.10%	5.5%
Chepping Wycombe Parish Council	23.70%	6.1%
Chesham Bois CofE Combined School	22.10%	5.6%
Chesham Bois Parish Council	23.70%	6.5%
Chesham Grammar School - Inc Red Kite Trust	22.10%	6.1%
Chesham Town Council	23.70%	6.1%
Chestnuts Academy	22.10%	5.9%
Chiltern Hills Academy	22.10%	6.1%
Chiltern Rangers CIC	21.00%	6.9%
Chiltern Way Academy	22.10%	6.3%
Chilterns Conservation Board	20.90%	7.0%
Christ the Sower Ecumenical Primary School	22.10%	5.9%
Claytons	23.60%	5.5%
Cleantec Services (Denham Green School)	33.90%	5.8%
Cleantec Services (Lord Grey) (from 01.09.2023)	25.20%	5.5%
Cleantec Services (Oakgrove School)	32.10%	5.6%
Cleantec Services (Radcliffe School)	25.30%	5.5%
Coldharbour C of E School	20.10%	5.9%

Coldharbour Parish Council	23.70%	6.1%
Cottesloe School (The)	23.60%	5.7%
CS Cleaning (MK) Ltd - Summerfield Junior School	25.90%	5.5%
Cucina Restaurants Ltd (Denbigh Sch)	24.80%	5.5%
Cucina Restaurants Ltd (Lord Grey)	20.90%	5.6%
Cucina Restaurants Ltd (Shenley Brook End Sch)	27.90%	5.5%
Cucina Restaurants Ltd (Stantonbury School)	22.20%	5.5%
Curzon C of E	22.10%	5.6%
Danesfield School	23.60%	5.4%
Denbigh School & Denbigh Alliance	22.10%	6.3%
Denham Green E-ACT Primary Academy	22.10%	7.3%
Dorney Parish Council (from 01.08.2023)	23.70%	4.8%
Dorney School	22.10%	5.8%
Downley Parish Council	23.70%	5.8%
Downley School (from 01.08.2023)	21.10%	5.4%
Downs Barn School	20.10%	5.6%
Dr Challoner's Grammar School	22.10%	5.9%
Dr Challoner's High School	22.10%	5.9%
Drayton Park School	20.10%	5.9%
Eaton Mill Nursery	20.10%	7.2%
Edlesborough School	22.10%	5.7%
Edwards and Ward Ltd (from 01.04.23)	27.50%	5.5%
Elmhurst School (Academy)	22.10%	5.7%
Elmtree Infant & Nursery School	22.10%	7.5%
Emerson Valley School	20.10%	5.9%
EMLC Academy Trust	22.10%	7.6%
Ever Brite Cleaning - Aston Clinton (from 01.09.23)	19.50%	4.7%
Excelcare (from 01.10.2023)	34.00%	5.8%
Fairfields Community Council	23.70%	5.5%
Fairfields Primary School	22.10%	5.9%
Falconhurst School	20.10%	5.8%
Fresh Start Catering Ltd - Lace Hill Academy (from 30.01.23)	20.90%	5.7%
Fresh Start Catering Ltd (CtSEPS)	22.10%	6.2%
Fujitsu (TVP)	22.90%	6.4%
George Grenville Academy	22.10%	5.6%
Germader Park School	20.10%	4.9%
Gerrards Cross CE School	22.10%	5.5%
Gerrards Cross Town Council	23.70%	6.8%
Giffard Park Primary School	20.10%	5.8%
Giles Brook Primary School	20.10%	5.7%
Glastonbury Thorn First School	20.10%	5.7%
Glebe Farm School	22.10%	6.1%
Glendale Countryside Ltd (from 04.09.23)	27.60%	6.5%
Great Horwood CofE Combined School	22.10%	5.7%
Great Kimble CofE School	22.10%	5.6%
Great Kingshill CofE Combined School	22.10%	5.7%
Great Linford Combined School	20.10%	5.7%
Great Marlow Parish Council	23.70%	5.5%
Great Marlow School	22.10%	6.2%
Great Missenden CoE Combined School + GLT (Great Learners Trust)	22.10%	5.9%
Great Missenden Parish Council	23.70%	6.2%
Green Park School	20.10%	5.5%
Green Ridge Academy	22.10%	5.8%
Greenleys First School	20.10%	5.7%

Greenleys Junior School	20.10%	5.8%
Hambleden Parish Council	23.70%	5.5%
Hamilton Academy	22.10%	5.8%
Hannah Ball School (from 01.12.23)	22.10%	5.6%
Hanslope Parish Council	23.70%	5.8%
Hanslope Primary School	20.10%	5.9%
Haversham Village School	20.10%	5.8%
Hayward Services (Chesham Grammar) (from 01.06.2023)	23.68%	7.0%
Hazeley Academy	22.10%	6.0%
Hazlemere Parish Council	23.70%	6.7%
Heelands First School	20.10%	6.2%
Heronsgate School	22.10%	5.7%
Heronshaw School	22.10%	5.7%
Highcrest Academy	22.10%	6.1%
Hightown Housing Association	28.80%	6.4%
Holmer Green Senior School	22.10%	6.0%
Holmwood School	22.10%	5.4%
Holne Chase Primary	22.10%	5.8%
Howe Park School	20.10%	5.7%
Hughenden Parish Council	23.70%	6.2%
Ickford Learning Trust - Ickford School	22.10%	5.8%
ICTS (UK) Ltd	26.80%	7.0%
Innovate - Oakgrove	25.00%	6.5%
Innovate Ltd - Great Marlow	20.80%	6.5%
Innovate Ltd - Princes Risborough	12.00%	5.5%
Innovate Ltd (Buckingham Schl)	18.40%	6.0%
Innovate Ltd (Sir William Ramsay) (from 01.09.2023)	19.80%	5.7%
Insignis Academy Trust	22.10%	6.9%
Inspiring Futures Partnership Trust	22.10%	6.1%
Inspiring Futures Through Learning (MAT)	22.10%	7.4%
Iver Parish Council	23.70%	6.3%
Iver Village Infant Academy (from 01.10.2023)	21.10%	5.3%
Ivinghoe Parish Council	23.70%	5.8%
Ivingswood Academy	22.10%	5.7%
John Colet School	22.10%	6.1%
John Hampden Grammar School	22.10%	6.1%
Jubilee Wood Primary School	22.10%	5.9%
Kents Hill & Monkston Parish Council	23.70%	6.3%
Kents Hill Park School	22.10%	6.0%
Kents Hill School	22.10%	5.7%
KGB Cleaning Southwest Ltd (from 01.01.24)	23.00%	7.6%
Kingsbridge Educational Trust (MAT staff)	22.10%	5.5%
Kingsbrook View Primary Academy	22.10%	5.9%
Knowles Nursery School (1003826SC)	20.10%	5.9%
Knowles Primary School	22.10%	5.7%
Lace Hill Academy	22.10%	6.5%
Lane End Parish Council	23.70%	5.5%
Langland Community School	22.10%	5.5%
Lavendon School (from 01.01.24)	22.10%	5.8%
Lavendon School (pre-01.01.24)	21.10%	5.6%
Lent Rise Combined School	22.10%	5.8%
Little Marlow Parish Council	23.70%	5.7%
Little Missenden Parish Council	23.70%	5.7%
Longwick CofE Combined School	22.10%	6.1%

Lord Grey Academy	22.10%	5.4%
Loudwater Combined School	23.60%	6.5%
Loughton & Great Holm Parish Council	23.70%	5.7%
Loughton Manor First School	20.10%	5.8%
Loughton School	22.10%	5.8%
Mandeville Secondary School (00440)	22.10%	5.6%
Manor Farm Junior	22.10%	5.5%
Marlow Bottom Parish Council	23.70%	6.3%
Marlow Town Council	23.70%	5.5%
May Harris Multi Services Ltd	26.90%	6.5%
Mears Group plc	23.10%	5.5%
Mentmore Parish Council	23.70%	5.7%
Merebrook Infant School	20.10%	5.8%
Middleton Primary School	22.10%	5.8%
Milton Keynes - Strictly Education	20.10%	6.3%
Milton Keynes Academy	22.10%	6.8%
Milton Keynes City Council	20.10%	6.5%
Milton Keynes College	20.30%	9.2%
Milton Keynes Development Partnership (MKDP)	18.70%	6.0%
Misbourne School, The	22.10%	6.1%
MK Primary Pupil Referral Unit	22.10%	5.2%
MKCC Schls Choice - Long Meadow School	20.10%	5.8%
Monitor Services Ltd	26.10%	5.5%
Monkston Primary Academy	22.10%	5.5%
Moorland Primary School	22.10%	5.2%
Moorlands Nursery	20.10%	5.8%
New Bradwell Parish Council	23.70%	5.8%
New Bradwell School (Academy)	22.10%	5.9%
New Chapter School	22.10%	7.8%
Newport Pagnell Town Council	23.70%	5.8%
Newton Blossomville C of E School	20.10%	5.3%
Newton Leys Primary School	20.10%	5.8%
Newton Longville Parish Council	23.70%	6.1%
Nexgen Facilities Services Ltd previously BusyBee (Derwent)	28.10%	5.5%
Nexgen Facilities Services Ltd previously BusyBee (Walton High)	28.00%	4.9%
Nexgen Facilities Services Ltd previously BusyBee(BC)	24.80%	5.5%
North Crawley C of E School	20.10%	5.9%
Oakgrove School	22.10%	7.8%
Office of the Police and Crime Commissioner (OPCC) for Thames Valley	17.50%	5.8%
Oldbrook First School	20.10%	5.6%
Olney Infant Academy	22.10%	5.7%
Olney Middle School	22.10%	6.1%
Olney Town Council	23.70%	5.8%
Orchard Academy	22.10%	5.6%
Our Lady's Catholic Primary	22.10%	6.0%
Ousedale School	22.10%	5.7%
Overstone Combined School	24.60%	7.3%
Oxford Diocesan Bucks Schools Trust (MAT head office staff only)	22.10%	6.6%
Oxford Health NHS Foundation Trust (OBMH)	18.00%	5.8%
Oxley Park Academy	22.10%	5.9%
Pace Security Ltd (Milton Keynes College)	27.00%	5.6%
Padbury CofE School	22.10%	5.8%
Penn Parish Council	23.70%	5.7%

Pepper Hill School	20.10%	5.5%
Piddington and Wheeler End Parish Council	23.70%	6.0%
Pioneer Secondary Academy (Previously Khalsa)	22.10%	2.2%
Places for People Leisure (Newp TC)	12.00%	5.8%
Places for People Leisure (WDC)	25.60%	6.8%
Police Superintendents' Association	16.60%	5.9%
Portfields Combined School	20.10%	6.1%
Premier Academy, The	22.10%	5.6%
Prestwood Infant School (from 01.08.2023)	22.10%	5.7%
Prestwood Junior School (from 01.08.2023)	22.10%	7.6%
Princes Risborough Primary School	22.10%	5.9%
Princes Risborough School	22.10%	6.3%
Princes Risborough Town Council	23.70%	5.8%
Priory Common First School	20.10%	5.7%
Priory Rise School (from 01.01.23)	22.10%	6.5%
Profile Security Services Ltd	25.80%	5.5%
Rapid Clean (BC Stokenchurch) started (from 09.01.2023)	26.20%	5.5%
Rapid Clean (MK Redway School)	20.60%	8.1%
Red Kite Community Housing	21.90%	5.6%
Rickley Park Primary School	22.10%	6.9%
Ringway Infrastructure Services Limited (MK)	22.80%	0.0%
Ringway Jacobs (Bucks)	21.40%	7.7%
Romans Field School	20.10%	6.4%
Royal Grammar School	22.10%	5.9%
Royal Latin School	22.10%	5.8%
Russell Street School	20.10%	5.8%
Sasse Facilities Management Ltd	28.10%	5.6%
Seer Green CE Combined School	22.10%	6.5%
SERCO (MKC Recreation & Maintenance)	28.40%	6.4%
SERCO (MKC)	24.80%	6.6%
Shenley Brook End & Tattenhoe Parish Council	23.70%	5.9%
Shenley Brook End School	22.10%	6.2%
Shenley Church End Parish Council	23.70%	5.5%
Shepherdswell Academy	22.10%	5.5%
Sherington Church C of E	20.10%	5.8%
Sir Henry Floyd Grammar School	22.10%	6.1%
Sir Herbert Leon Academy	22.10%	6.0%
Sir Thomas Fremantle Secondary School	22.10%	6.0%
Sir William Borlase's Grammar School	22.10%	6.0%
Sir William Ramsay School	22.10%	5.5%
Slapton Parish Council	23.70%	5.9%
Slated Row School	20.10%	5.9%
Southwood Middle School	20.10%	5.8%
Sports Leisure Management (SLM)	27.00%	5.6%
St Andrews C of E School	20.10%	6.3%
St Bernadette	20.10%	5.7%
St Edward's Catholic Junior School	22.10%	5.7%
St John's CE Combined School	22.10%	5.7%
St Josephs Catholic	22.10%	5.7%
St Joseph's Roman Catholic Infant	22.10%	5.6%
St Louis Catholic Primary School	22.10%	5.8%
St Mary & St Giles CofE School	22.10%	5.6%
St Mary Magdelene Catholic Primary	20.10%	5.7%
St Mary's CE Combined School	22.10%	5.7%

St Marys Wavendon CE Primary School	20.10%	5.5%
St Michael's Catholic School	20.10%	5.8%
St Monica's Catholic Primary	20.10%	5.8%
St Nicolas' CE Combined School Taplow	22.10%	6.2%
St Paul's Catholic School	20.10%	5.6%
St Peters Roman Catholic School	22.10%	5.7%
St Thomas Aquinas Catholic Primary	20.10%	5.8%
Stanton School	20.10%	5.9%
Stantonbury Parish Council	23.70%	6.0%
Stantonbury School	22.10%	6.3%
Stephenson Academy	22.10%	5.2%
Stoke Goldington School	20.10%	5.4%
Stokenchurch	23.60%	5.8%
Stony Dean	23.60%	6.3%
Stony Stratford Town Council	23.70%	5.8%
Summerfield School	20.10%	5.4%
Taplow Parish Council	23.70%	5.5%
TGC Facility Services Ltd (Bierton School)	20.40%	7.1%
Thames Valley Police	17.50%	6.1%
The Bridge Academy	22.10%	5.8%
The Kingsbrook School	22.10%	5.5%
The Pantry UK (Chiltern Hills)	20.60%	5.8%
The Pantry UK (Two Mile Ash)	26.50%	6.4%
The Radcliffe School	20.10%	5.5%
The Redway School	20.10%	5.7%
The Willows School and EYC	20.10%	5.9%
The Woodlands School	20.10%	5.4%
Thomas Harding Junior School	22.10%	6.1%
Thrift Farm	23.60%	5.7%
Tickford Park Primary	20.10%	5.8%
Tove Trading Ltd (Stantonbury Sch) (from 01.09.2023)	19.40%	6.5%
Turn IT On Ltd (SWR)	24.40%	5.7%
Two Mile Ash School	22.10%	6.0%
Waddesdon C of E School	22.10%	6.5%
Waddesdon Parish Council	23.70%	6.2%
Walton High	22.10%	5.4%
Water Hall Primary School	22.10%	5.7%
Waterside Combined School	22.10%	6.0%
Watling Academy	22.10%	5.8%
Watling Primary School (from 01.09.2023)	22.10%	5.9%
Wavendon Gate	20.10%	6.5%
Wendover Parish Council	23.70%	6.9%
West Bletchley Council	23.70%	5.6%
West Wycombe Combined School	22.10%	5.5%
West Wycombe Parish Council	23.70%	5.7%
Weston Turville Parish Council	23.70%	6.1%
WFLCT Woughton Leisure Centre previously C salt	25.80%	5.9%
White Spire School	20.10%	5.8%
Whitehouse Primary School	22.10%	5.6%
Willen Primary School	20.10%	5.7%
Winslow Town Council	23.70%	6.5%
Woburn Sands Town Council	23.70%	6.3%
Wolverton and Greenleys Town Council	23.70%	8.5%
Wolverton and Watling Way Pools Trust	21.50%	6.7%

Wooburn and Bourne End Parish Council	23.70%	5.6%
Wooburn Green Primary School (The Meadows School)	22.10%	5.7%
Wood End Infant	20.10%	5.6%
Woodside Junior School	22.10%	6.6%
Woughton Community Council	23.70%	8.6%
Wycombe Heritage & Arts Trust	24.80%	6.4%
Wycombe High School	22.10%	5.8%
Wyvern School	20.10%	5.6%

Fund Account, Net Assets Statement and Notes

Statement of Responsibilities for the Statement of Accounts

The Council's Responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Service Director of Finance and Section 151 Officer;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Approve the Statement of Accounts, delegated to the Audit and Governance Committee.

The Service Director of Finance and Section 151 Officer Responsibilities

The Service Director of Finance and Section 151 Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code).

In preparing this Statement of Accounts, the Service Director of Finance and Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code;
- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Service Director of Finance and Section 151 Officer

I certify that this Statement of Accounts for the year ended 31 March 2024 gives a true and fair view of the financial position of the Buckinghamshire Pension Fund as at 31 March 2024 and its income and expenditure for the year ending 31 March 2024.

David Skinner

Service Director of Finance and Section 151 Officer

Buckinghamshire Council

27 February 2025

Independent Auditor's Report to the Members of Buckinghamshire Pension Fund

Independent auditor's statement to the members of Buckinghamshire Council on the pension fund financial statements of Buckinghamshire Pension Fund included within the pension fund annual report

Opinion

We have examined the pension fund financial statements of Buckinghamshire Pension Fund (the 'pension fund') for the year ended 31 March 2024 included within the pension fund annual report, which comprise the Pension Fund Account, the Net Assets Statement and notes to the pension fund financial statements, including a summary of significant accounting policies.

In our opinion, the pension fund financial statements included within the pension fund annual report are consistent, in all material respects, with the audited pension fund financial statements of Buckinghamshire Council for the year ended 31 March 2024 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We have not considered the effects of any events between 27 February 2025 being the date we signed our report on the audited financial statements of Buckinghamshire Council, and the date of this statement.

Respective responsibilities of the Service Director of Finance and Section 151 Officer and the auditor

As explained more fully in the Statement of Responsibilities, the Service Director of Finance and Section 151 Officer is responsible for the preparation of the pension fund's financial statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

Our responsibility is to state to the members of Buckinghamshire Council our opinion on the consistency of the pension fund financial statements within the pension fund annual report with the financial statements of Buckinghamshire Council.

We also read the other information contained in the pension fund annual report and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the pension fund financial statements. The other information comprises the information included in the pension fund annual report, other than the pension fund financial statements and our auditor's statement thereon.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office. Our report on the financial statements of Buckinghamshire Council describes the basis of our opinion on those financial statements.

Use of this auditor's statement

This statement is made solely to the members of Buckinghamshire Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our work has been undertaken so that we might state to the members of Buckinghamshire Council those matters we are required to state to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Buckinghamshire Council and the members of Buckinghamshire Council, as a body, for our work, for this statement, or for the opinions we have formed.

Parris Williams, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

London

28 February 2025

Pension Fund Accounts

The Buckinghamshire Pension Fund Accounts contain two core statements, the Pension Fund Account and the Net Assets Statement. Each of the statements is accompanied by supplementary notes providing additional detail to the figures presented.

31 March 2023	£000	Pension Fund Account	Note	31 March 2024	£000
		Dealings with Members, Employers and others directly involved in the Fund			
		Income			
(165,961)		Contributions	3	(176,158)	
(23,383)		Transfers in from other pension funds	4	(29,337)	
(146)		Other income		(167)	
(189,490)				(205,662)	
		Benefits	5		
109,826		Pensions		122,522	
23,171		Commutation of pensions and lump sums		25,729	
		Payments to and on Account of Leavers	6		
1,163		Refunds of contributions		699	
16,190		Transfers out to other pension funds		17,548	
150,350				166,498	
(39,140)		Net (Additions)/Withdrawals from Dealings with Members		(39,164)	
30,527*		Management expenses	7	33,532	
(8,613)		Net (Additions)/Withdrawals including Fund Management Expenses		(5,632)	
		Returns on Investments			
(14,581)		Investment income	8	(24,643)	
194,481*		(Profits) and losses on disposal of investments and changes in the market value of investments	9	(388,861)	
1		Taxes on income	16	(25)	
179,901		Net Returns on Investments		(413,529)	
171,288		Net (Increase)/Decrease in the Net Assets Available for Benefits During the Year		(419,161)	

* These have been restated for 2022-23.

Net assets statement

31 March 2023 £000	Net Assets Statement	Note	31 March 2024 £000
	Investments		
840	Long term investments	9	840
169	Equities - quoted	9	154
3,442,292	Pooled investment vehicles	9	3,859,047
209,235	Property - unit trusts	9	222,109
(14,467)	Cash deposits	9	18,993
83,140	Cash instruments		36,679
518	Investment income receivable	9	429
3,721,727	Net Investments	11	4,138,251
24,251	Current assets	15	28,925
(4,105)	Current liabilities	15	(6,143)
3,741,873	Net Assets of the Fund Available to Fund Benefits at 31 March		4,161,033

Cash instruments are considered to be those assets on which a positive or negative return may be anticipated; whereas cash deposits are more liquid cash assets held for the purpose of facilitating capital calls.

The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end. The actuarial present value of promised retirement benefits is disclosed at Note 18.

Note 1 - Description of the Fund

Buckinghamshire Pension Fund (the Fund) is part of the Local Government Pension Scheme (LGPS) and is administered by Buckinghamshire Council. Organisations participating in the Buckinghamshire Pension Fund include Buckinghamshire Council, Milton Keynes City Council, parish Councils of Buckinghamshire, Thames Valley Police, Buckinghamshire and Milton Keynes Fire Authority, and other scheduled and admitted bodies. These are listed in Note 21 to these Financial Statements. Teachers, fire fighters and police officers, for whom separate pension schemes apply, are excluded from the Buckinghamshire Pension Fund. The Administering Authority is Buckinghamshire Council.

The purpose of the Fund is to provide defined benefits for employees and their widows, widowers and children, based on pay and past service. The Scheme is a career average scheme, whereby members accrue benefits based on their pensionable pay in that year at an accrual rate of 1/49th. Employee contribution bands range from 5.5% to 12.5% of pensionable pay. In April 2014 a 50/50 option was introduced which means members can pay half their contribution rate and build up half the pension benefit whilst retaining full value of other scheme benefits such as death in service lump sum and ill health cover. Accrued pension is revised annually in line with the Consumer Prices Index (CPI). Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service. More details of benefits provided under the scheme are available on Buckinghamshire Pension Fund's website.

The Fund is governed by the Public Service Pensions Act 2013. The Fund is administered in accordance with the following secondary legislation:

- The Local Government Pension Scheme Regulations 2013 (as amended);
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended); and
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

In 2015 the Government announced that they wanted the 91 Local Government Pension Scheme funds to pool their investments into larger pools to achieve savings in investment management costs. Brunel Pension Partnership Ltd was formed to implement the investment strategies for ten Funds. The founding Funds include The Environment Agency Pension Fund, and the Local Government Pension Funds of Avon, Buckinghamshire, Cornwall, Devon, Dorset, Gloucestershire, Oxfordshire, Somerset and Wiltshire. The company Brunel Pension Partnership Ltd was formed on 14 October 2016. By 31 March 2024 the collective assets transitioned to Brunel portfolios were circa £40.342 billion.

The objective of pooling assets is to achieve savings over the longer term from both lower investment management costs and more effective management of the investment assets. The pool is delivering savings based upon the collective buying power the collaboration initiative produces. Local accountability is maintained as each individual fund remains responsible for strategic decisions including asset allocation. The pooling of assets only affects the implementation of the investment strategy in terms of manager appointments. The transition of assets began in July 2018 and most of the assets have now transitioned, although illiquid alternative assets such as private equity will need a longer transition timetable. More information and updates can be found on the Brunel Pension Partnership website at: www.brunelpensionpartnership.org

The following summarises the membership of the Buckinghamshire Pension Fund:

Membership of the Fund	31 March 2023	31 March 2024
Contributors	25,127	26,127
Pensioners & Dependents	22,768	23,624
Deferred pensioners	33,078	33,429
Frozen refunds and undecided leavers	5,796	5,772
Total Membership of the Fund	86,769	88,952

Investment strategy statement

The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 require administering authorities to formulate and to publish a statement of its investment strategy, in accordance with guidance issued from time to time by the Secretary of State. The Buckinghamshire Pension Fund Investment Strategy Statement can be viewed on Buckinghamshire Pension Fund's website.

[Funding and investment policies | Pensions \(buckinghamshire.gov.uk\)](#)

Further Information

The Council publishes a separate Annual Report on the Buckinghamshire Pension Fund, which gives more detailed information, a copy can be viewed on Buckinghamshire Pension Fund's website.

[The Pension Fund Annual report | Pensions \(buckinghamshire.gov.uk\)](#)

Basis of Preparation

The accounts summarise the Fund's transactions for the 2023/24 financial year and its position at year end as at 31 March 2024. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting (the Code), which is based on International Financial Reporting Standards (IFRS), as amended for the UK public sector.

The accounts summarise the transactions of the Fund and report on the net assets available to pay pension benefits. The accounts do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year. The actuarial present value of promised retirement benefits is disclosed at Note 18 of these accounts. The Buckinghamshire Pension Fund is administered by Buckinghamshire Council.

Note 2 - Accounting Policies and Critical Judgement in Applying Accounting Policies

Accounting Policies

Accruals of Income and Expenditure

The financial statements are prepared on an accrual basis, unless otherwise stated. That is, income and expenditure are recognised as they are earned or incurred, not as they are received or paid.

Contributions, benefits and investment income are included on an accrual basis. All settlements for buying and selling investments are accrued on the day of trading. Interest on deposits is accrued if not received by the end of the financial year. Investment management expenses are accounted for on an accrual basis. Administrative expenses are accounted for on an accrual basis, staff costs are paid by Buckinghamshire Council then recharged to the Fund at the year end and group transfers to and from the Fund are accounted for on an accruals basis unless it is too early in the negotiations for an estimate of the value to be available. Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Net Assets Statement. Some additional payments are made to beneficiaries on behalf of certain employers. These payments are subsequently reimbursed by those employers. The figures contained in the accounts are shown exclusive of both payments and reimbursements.

Contribution Income

Normal contributions are accounted for on an accruals basis as follows:

Employee contribution rates are set in accordance with LGPS regulations, using common percentage rates for all schemes which rise according to pensionable pay.

Employer contributions are set at the percentage rate recommended by the fund actuary in the Fund Actuary's Rates and Adjustment certificate for the period to which they relate.

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the schedule of contributions set by the scheme actuary or on receipt if earlier than the due date.

Employers' augmentation contributions and pension strain contributions are accounted for in the period in which the liability arises. Individual transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged.

Investment Income

Investment income is recognised on the date the shares are quoted ex-dividend. Any amount not received by the end of the reporting period is disclosed in the net assets statement as investment income. Distributions from pooled funds are recognised at the date of issue. Any amount not received by the end of the reporting period is disclosed in the net assets statement as a current financial asset. Changes in the net market value of investments are recognised as income or expense and comprise all realised and unrealised profits/losses during the year. Interest income is recognised in the Fund account as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination. Income includes the amortisation of any discount or premium, transaction costs (where material) or other differences between the initial carrying amount of the instrument and its amount at maturity calculated on an effective interest rate basis.

Benefits Payable

Pensions and lump sum benefits payable include all amounts known to be due as at the end of the financial year. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities.

Management Expenses

All management expenses are accounted for on an accrual basis. Fees of the external investment managers and custodian are agreed in the respective mandates governing their appointments. These are based on the market value of the investments under their management and therefore increase or reduce as the value of these investments change.

Financial Instruments

Financial instruments that are "held for trading" are classified as financial assets and liabilities at fair value through profit or loss when the financial instrument is:

- Acquired or incurred principally for the purpose of selling or repurchasing it in the near term, or
- Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or
- A derivative.

Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value excluding transaction costs and carried at fair value without any deduction for transaction costs that would be incurred on sale or disposal.

Financial assets held at amortised cost. These represent loans and loan-type arrangements where repayments of interest and principal take place on set dates and for specified amounts. The amount presented in the Net Asset Statement represents the outstanding principal plus accrued interest. Interest credited is the amount receivable as per the loan agreement.

The value of market quoted investments is determined by the bid market price ruling on the final day of the accounting period. Fixed interest securities are recorded at net market value based on their current yields. Pooled investments in property funds, equity funds, fixed interest funds, private equity funds, infrastructure funds and private debt funds are valued by the fund manager in accordance with industry guidelines. Note 12 includes commentary on the valuation methods that the Fund's fund managers use.

Foreign Currency Transactions

Foreign currency transactions are translated into sterling at the exchange rate ruling at the date of transaction. End of year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, market values of overseas investments and purchases and sales outstanding at the end of the reporting period.

Cash and Cash Equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to minimal risk of changes in value.

Contingent Assets & Liabilities and Commitments

Contingent liabilities are disclosed by way of a note when there is a possible obligation which may require a payment or a transfer of economic benefits. The timing of the economic transfer and the level of certainty attaching to the event are such that it would be inappropriate to make a provision.

Contingent assets are disclosed by way of a note where inflow or a receipt or an economic benefit is possible and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Fund.

Commitments are disclosed by way of a note when there is a contractual commitment which may require a payment. The timing of the payment is such that it would be inappropriate to make a provision. Commitments are accounted for at the best estimate of the obligation.

Actuarial Present Value of Promised Retirement Benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS 19 and relevant actuarial standards. As permitted under the code, the fund has opted to disclose the actuarial present value or promised retirement benefits by way of a note to the net assets statement (Note 15).

Critical Judgements in Applying Accounting Policies

There are no critical judgements in applying accounting policies to be disclosed in the Statement of Accounts.

Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year-end date and the amounts reported for the revenues and expenses during the year. Estimates and assumptions are made

considering historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual outcomes could differ from the assumptions and estimates.

The items in the Net Assets Statement at 31 March 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits (Note 18)	Estimation of the net liability to pay pensions depends on several complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Fund with expert advice about the assumptions to be applied.	<p>The effects on the net pension liability of changes in individual assumptions can be measured. For instance:</p> <p>A 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £69m.</p> <p>A 0.1% increase in assumed earnings inflation would increase the value of liabilities by approximately £4m.</p> <p>A 0.1% increase in pension increases and deferred revaluation would increase the value of the liabilities by approximately £65m.</p> <p>A one-year increase in assumed life expectancy would increase the liability by approximately £139m.</p>
Level 2 investments (Note 12)	Level 2 investments are not traded on an open market. Management use fund managers to determine valuations using recognised pricing techniques.	Level 2 investments are valued at £3,230.577m in the financial statements. A movement of 17.11% in market price risk is reasonably possible.
Level 3 investments (Note 12)	Level 3 investments are valued at fair value in accordance with 'International Private Equity and Venture Capital Valuation Guidelines'. These investments are not publicly listed and as such there is a degree of estimation involved in the valuation.	Level 3 investments are valued at £888.098m in the financial statements. A movement of 20.60% in market price risk is reasonably possible.

Estimates of movement in market price have been provided by the Fund's Investment Consultants, Mercers.

Events After the Reporting Date

There have been no events since 31 March 2024, and up to the date when these accounts were authorised that require any adjustments to these accounts. Recent market turmoil has impacted global financial markets. As at the end of 30 September 2024, investments are valued overall at £4.248 billion a higher value than in these financial statements as at 31 March 2024.

Accounting Standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. Potentially relevant standards include annual improvements to IFRS standards 2014/2016.

None of the accounting standards that have been issued but not yet adopted will have a significant impact on the financial statements. IFRS 16 will have no impact as the Fund has no leases.

Prior Period Adjustment Disclosure Note for Management Expenses

During the 2023-24 reporting period, an error was identified that led to 2022-23's Investment Management expenses being understated. In particular, these related to the pooled property and pooled equity elements of the portfolio. As a result, a prior period adjustment was required to 2022-23's Investment Management Expenses in the 2023-24 Statement of Accounts.

The figure stated for Investment Management expenses in 2022-23's accounts was £18.309m; it is now considered to be £27.016m, an increase of £8.707m, and has been restated accordingly, for ease of comparability between the two financial years. Such a restatement has affected Note 7 but also several other areas of the Statement of Accounts; throughout, such changes are indicated by an asterisk *.

The restatement of 2022-23's Investment Management Expenses has led to the net return on investments, for that year, being lower than it otherwise might have been had this restatement not been undertaken.

This prior period adjustment does not impact regulatory compliance, contractual obligations, or key performance indicators. The management acknowledge their responsibility for the accuracy and completeness of the financial statements, including the identification and correction of such prior period adjustments. Having evaluated the impact of this adjustment, the financial statements present a true and fair view of the Fund's financial position and performance.

The impact of the prior period adjustment on the audit opinion was evaluated by the Fund's external auditors, who have confirmed that the adjustment was appropriately reflected in the financial statements and have issued an unqualified audit opinion.

Prior Period Adjustment Disclosure Note for Pooled Property Investments

During the 2023-24 reporting period, Brunel Pension Partnership recommended reclassifying Pooled Property investments from Level 2 to Level 3 due to a reassessment of the liquidity of the assets involved. This recommendation was implemented for the current year, and as a result it was noted that the assets involved were also incorrectly classified in the previous year, 2022-23. As a result, a prior period adjustment was required to 2022-23's Pooled Property classification in the 2023-24 Statement of Accounts.

Consequently, the classification of the pooled properties was restated from Level 2 to Level 3, leading to an adjustment in the total amount. The value of Level 3 Pooled Property assets as at 31st March 2023 in the 2022-23 accounts was £6.754m, but it has been restated as £209.235m, reflecting an increase of £202.481m. Such a restatement has affected Note 12; throughout, such changes are indicated by an asterisk *.

The restatement of 2022-23's Pooled Property has not impacted the total value of that asset class, and accordingly the impact of the adjustment on the Statement of Accounts as a whole has been limited.

This prior period adjustment does not impact regulatory compliance, contractual obligations, or key performance indicators. The management acknowledge their responsibility for the accuracy and completeness of the financial statements, including the identification and correction of such prior period adjustments. Having evaluated the impact of this adjustment, the financial statements present a true and fair view of the Fund's financial position and performance.

The impact of the prior period adjustment on the audit opinion was evaluated by the Fund's external auditors, who have confirmed that the adjustment was appropriately reflected in the financial statements and have issued an unqualified audit opinion.

Note 3 - Contributions

Contributions relating to wages and salaries paid up to 31 March 2024 have been included in these accounts, there were no augmented employers' contributions received during 2022/23 or 2023/24.

2022/2023 £000	Contributions by Category	2023/2024 £000
	Employers' Contributions	
(109,489)	Normal Contributions	(121,684)
(18,242)	Deficit Recovery Contributions	(11,443)
(127,731)	Total Employers' Contributions	(133,127)
(38,230)	Members' Contributions	(43,031)
(165,961)	Total Contributions	(176,158)

2022/2023 £000	Contributions by Authority	2023/2024 £000
(62,616)	Administering authority	(66,267)
(100,313)	Scheduled bodies	(107,040)
(3,032)	Admitted bodies	(2,851)
(165,961)	Total Contributions	(176,158)

Note 4 - Transfer Values

2022/2023 £000	Transfers in from other pension funds	2023/2024 £000
0	Group transfers	(500)
(23,383)	Individual transfers	(28,837)
(23,383)	Total Transfers in from other pension funds	(29,337)

The individual transfer values relate to transfers, which have been received during the financial year i.e. included on a cash basis. On 31 March 2024 there were eleven transfer values receivable greater than £50k, for which £1.901m had not been received. (On 31 March 2023 there were thirty-one transfer values receivable greater than £50k, for which £3.603m had not been received).

On 31 March 2024 there was one group transfer to the Buckinghamshire Pension Fund being negotiated with another fund, the value of the transfer £500k has been accrued. (There was one group transfer to the Buckinghamshire Pension Fund being negotiated on the 31 March 2023, the calculations had not yet been carried out for the transfer at that time).

The above refers to payments into the Buckinghamshire Pension Fund from other pension funds.

Note 5 - Benefits

Benefits include all valid benefit claims notified during the financial year.

2022/2023 £000	Benefits Payable by Category	2023/2024 £000
109,826	Pensions	122,522
19,875	Commutations of pensions and lump sum retirement benefits	21,744
3,296	Death Grants	3,985
132,997	Total Benefits	148,251

2022/2023 £000	Benefits Payable by Authority	2023/2024 £000
64,990	Administering authority	71,298
57,820	Scheduled bodies	65,240
10,187	Admitted bodies	11,713
132,997	Total Benefits	148,251

Note 6 - Payments to and on Account of Leavers

2022/2023 £000	Payments to and on Account of Leavers	2023/2024 £000
1,163	Refunds to members leaving service	699
302	Group transfers to other pension funds	94
15,888	Individual transfers to other pension funds	17,454
17,353	Total Payments to and on Account of Leavers	18,247

The individual transfer value to other Pension Funds relate to transfers, which have been paid during the financial year i.e. included on a cash basis. On 31 March 2024 there were ten transfer values where the amount was greater than £50k, for which £1,188k had not been paid during the 2023/24 financial year (on 31 March 2023 there were seventeen transfer values receivable greater than £50k, for which £1,402k had not been paid during 2022/23). The Buckinghamshire Pension Fund is waiting for instructions from the scheme members to action the transfers.

On 31 March 2024 there was one group transfer out from the Buckinghamshire Pension Fund to other Pension Funds being negotiated, the value of the transfer, £94k, has been accrued. There was one on the 31 March 2023 where the £85k value was accrued.

The above refer to payments from the Buckinghamshire Pension Fund to other pension funds.

Note 7 - Management Expenses

2022/2023 £000	Management Expenses	2023/2024 £000
2,792	Administrative costs	3,041
27,016*	Investment management expenses	29,763
719	Oversight and governance costs	728
30,527	Total Management Expenses	33,532

**The management expenses for 2022-23 have been restated here, owing to an error that led to 2022-23's Investment Management expenses being understated. In particular, these related to the pooled property and pooled equity elements of the portfolio. The figure stated for Investment Management expenses in 2022-23's accounts was £18.309m; it is now considered to be £27.016m, an increase of £8.707m and has been restated accordingly, for ease of comparability between the two financial years.*

The analysis of the cost of managing the Buckinghamshire Pension Fund during the period has been prepared in accordance with CIPFA guidance. Management expenses have been categorised as administrative costs, investment management expenses and oversight/governance costs.

The fees for the 2023/24 main external audit were £93.186k and £7.530k for the ISA315 audit, the ISA315 identifies and assesses the risk of material misstatement. For 2023/24 the IAS19 assurance letters to auditors of scheduled bodies is included in the main fee. The fees for the 2022/23 main external audit were £43.375k and the £9.6k for the IAS19 assurance letters for scheduled bodies. These fees are recognised as Oversight & Governance costs.

Investment management fees are calculated according to the specific mandate and the associated contract. Management fees for pooled funds and transaction costs have been included in the investment

management expenses. There were £101k of performance related fees in the investment management expenses (no performance related fees in the 2022/23 financial year) payable to the Buckinghamshire Pension Fund's investment managers. It also includes £4.316m in respect of transaction costs (£6.268m in the 2022/23 financial year).

2023-24	Management Fees	Performance Related Fees	Transaction Costs	TOTAL
	£000	£000	£000	£000
Long term investments				
Equities - quoted	-	-	-	-
Bonds	-	-	-	-
Pooled investment vehicles	14,120	-	3,934	18,054
Private Equity	5,975	1	59	6,035
Property - unit trusts	5,226	100	323	5,649
	25,321	101	4,316	29,738
Custody fees	25			
				29,763

2022-23	Management Fees	Performance Related Fees	Transaction Costs	TOTAL
	£000	£000	£000	£000
Long term investments				
Equities - quoted	-	-	-	-
Bonds	-	-	-	-
Pooled investment vehicles	10,817		6,268	17,085
Private Equity*	5,022	-	-	5,022
Property - unit trusts*	4,879	-	-	4,879
	20,718	-	6,268	26,986
Custody fees	29			
				27,016

* Restated for 2022-23, see note on p43.

Note 8 - Investment Income

2022/2023	Investment Income	2023/2024
£000		£000
62	Dividends from equities	(16)
242	Income from bonds	0
(5,906)	Income from pooled investments	(14,408)
(6,984)	Income from property unit trusts	(8,330)
(1,997)	Interest on cash deposits	(2,117)
2	Other	228
(14,581)	Total Investment Income	(24,643)

Note 9 - Investments

All investments are valued on a fair value basis and where there is an active market the bid price is the appropriate quoted market price. The investment accounting information is provided by State Street, the Fund's custodian. During 2023/2024 the Buckinghamshire Pension Fund reported an increase in the market value of investments of £388.861m.

Investments (All values are shown £000)	Value at 31 March 2023 £000	Purchases at Cost £000	Sales Proceeds £000	Change in Market Value £000	Value at 31 March 2024 £000
Long term investments	840	0	0	0	840
Equities - quoted	169	0	0	(15)	154
Pooled investment vehicles	3,442,292	367,162	(342,586)	392,179	3,859,047
Property - unit trusts	209,235	45,357	(29,265)	(3,218)	222,109
Derivative Contracts	0	19	0	(19)	0
	3,652,536	412,538	(371,851)	388,927	4,082,150
Cash	68,673			(66)	55,672
Investment income due	518				429
	3,721,727			388,861	4,138,251

During 2022/2023 the Buckinghamshire Pension Fund reported a decrease in the market value of investments of £194.482m.

Investments (All values are shown £000)	Value at 31 March 2022 £000	Purchases at Cost £000	Sales Proceeds £000	Change in Market Value £000	Value at 31 March 2023 £000
Long term investments	840	0	0	0	840
Equities - quoted	295	215	(289)	(52)	169
Bonds	0	0	41	(41)	0
Pooled investment vehicles	3,525,017	207,317	(127,766)*	(162,276)*	3,442,292
Property - unit trusts	243,766	45,958	(48,075)*	(32,414)*	209,235
	3,769,918	253,490	(176,088)	(194,784)	3,652,536
Cash	132,073			302	68,673
Investment income due	391				518
	3,902,382			(194,482)	3,721,727

**Changed due to the restatement of Management Expenses in 2022-23 (Note 7).*

Pooled investment vehicles are funds where the Fund is not the named owner of specific investments such as shares or bonds but owns a proportion of a pooled fund. The Code requires that pooled investments are analysed between unit trusts, unitised insurance policies and other managed funds. The pooled investment vehicles in the tables above are other managed funds. These funds include the following types of investments, broken down fully in Note 11:

- Equities
- Fixed interest securities
- Index-linked gilts
- Infrastructure
- Private debt
- Private equity fund of funds

The change in the fair value of investments during the year comprises all increases and decreases in the fair value of investments held at any time during the year, including profits and losses realised on sales of investments during the year. The Fund's investments in derivatives are not material and therefore further disclosures are not included in the accounts. Indirect costs are incurred through the bid-offer spread on investments within pooled investments.

The Fund does not participate directly in a stock lending programme; the Brunel Pension Partnership, however, does, on behalf of all its partner pension funds.

Note 10 - Investment Management Arrangements

The following table summarises the proportion of the Fund managed by Brunel Pension Partnership limited and the Fund, assets which exceed 5% of the total value of the net assets of the Fund are also shown. Following a review of Investment Strategy, the Buckinghamshire Pension Fund's allocation to passive developed equities and global high alpha equities were both decreased by 2.5%, the allocations to Sterling corporate bonds and index-linked gilts were both increased by 2.5% There are several legacy equity

mandates where tax income is receivable, these are highlighted with an *. No single directly held investment constitutes more than 5% of the net assets of the Fund.

	Proportion of Fund 31 March 2023 £000	%	Proportion of Fund 31 March 2024 £000	%
Investments managed by Brunel				
Low Volatility Equities	271,655	7.3	298,217	7.2
Passive Developed Equities	646,380	17.4	629,467	15.2
Emerging Markets Equities	166,080	4.5	172,565	4.1
Global High Alpha Equities	630,793	16.9	626,584	15.1
Smaller Companies Equities	179,620	4.8	197,172	4.8
Multi-Asset Credit	347,289	9.3	388,176	9.4
Passive Index Linked Gilts Greater than 5 Years	310,040	8.3	392,634	9.5
Infrastructure	248,035	6.7	330,935	8.0
Private Debt	73,611	2.0	122,777	3.0
Private Equity	100,429	2.7	152,169	3.7
Property – unit trusts	209,235	5.6	222,109	5.4
Sterling Corporate Bonds	356,822	9.6	489,088	11.8
Cash	34,277	0.9	30,702	0.7
Total Investments managed by Brunel	3,574,267	96.0	4,052,595	97.9
Investments managed by the Fund				
Long term investments	840	0.0	840	0.0
Investec Asset Management - Less constrained global equities*	0	0.0	0	0.0
Legal & General Investment Management – Passive index-tracker	39,647	1.1	0	0.0
Pantheon Private Equity - Private equity	63,823	1.7	51,914	1.3
Partners Group - Private equity	8,067	0.3	7,354	0.2
Schroders - Less constrained global equities *	68	0.0	74	0.0
GTP*	103	0.0	80	0.0
Hg Capital	1	0.0	0	0.0
Cash	34,392	0.9	24,965	0.6
Dividend Receivable	518	0.0	428	0.0
Total Investments managed by the Fund	147,462	4.0	85,655	2.1
Total	3,721,729	100	4,138,251	100

Note 11 - Analysis of the Value of Investments

31 March 2023 £000	Analysis of the Value of Investments	31 March 2024 £000
840	Long Term Investments	840
	Equities	
102	UK quoted	80
67	Overseas quoted	74
169	Total Equities	154

	Pooled Investment Vehicles	
1,894,530	Overseas Equities	1,924,005
251,271	Overseas Infrastructure	334,005
396,469	Fixed Interest Securities	489,088
310,040	Index linked gilts	392,629
347,289	Multi-Asset Credit	388,176
73,611	Overseas Private Debt	122,777
169,082	Overseas Private Equity	208,367
3,442,292	Total Pooled Investment vehicles	3,859,047
	Other	
209,235	Property - unit trusts	222,109
68,673	Cash – sterling and foreign cash	55,672
518	Investment Income receivable	429
278,426	Total Other	278,210
3,721,727	Total Value of Investments	4,138,251

Note 12 - Financial Instruments

The Net Assets of the Fund disclosed in the Net Assets Statement are made up of the following categories of financial instruments:

Management believes the carrying value of financial assets held at amortised cost is a reasonable approximation of fair value and therefore no disclosure of the difference (between that value and fair value) is required.

31 March 2023				31 March 2024		
Fair value through profit and loss	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Financial Assets	Fair value through profit and loss	Financial Assets at Amortised Cost	Financial Liabilities at amortised cost
£000	£000	£000		£000	£000	£000
840			Long Term Investments	840		
169			Equities	154		
209,235			Property – unit trusts	222,109		
			Pooled investments:			
396,469			Fixed interest securities	489,088		
1,894,530			Equities	1,924,005		
310,040			Index Linked Gilts	392,629		
251,271			Infrastructure	334,005		
347,289			Multi-Asset Credit	388,176		

73,611			Private Debt	122,777		
169,082			Private Equity	208,367		
518			Investment Income receivable	429		
83,106			Cash instruments	36,679		
			Cash deposits		18,993	
	12,816		Current assets		14,864	
3,736,160	12,816			4,119,258	33,857	
			Financial Liabilities			
	(14,434)		Cash deposits			
		(2,840)	Current liabilities			(1,592)
	(14,434)	(2,840)				(1,592)
3,736,160	(1,618)	(2,840)	Total	4,119,258	33,857	(1,592)
		3,731,702				4,151,523

31 March 2023 £000	Reconciliation to Net Assets of the Fund Available to Fund Benefits at 31 March in the Net Assets Statement	31 March 2024 £000
3,741,873	Net Assets	4,164,235
(11,435)	Less contributions due (current assets)	(14,374)
(1)	Less rounding error	-
1,265	Add HMRC current liabilities	1,662
3,731,702	Value of financial instruments carried at fair value	4,151,523

The net gains and losses on financial instruments are shown in the table below.

31 March 2023 £000		31 March 2024 £000
	Financial Assets	
194,784*	Fair value through profit and loss	(388,861)
0	Financial Assets measured at amortised cost	0
0	Financial liabilities measured at amortised cost	0
	Financial Liabilities	
0	Fair value through profit and loss	0
0	Financial Assets measured at amortised cost	0
0	Financial liabilities measured at amortised cost	0
194,784	Total	(388,861)

*Value has changed following restatement of Management Expenses in 2022-23 (Note 7).

The Code requires that for each class of financial assets and financial liabilities an authority shall disclose the fair value of that class of assets and liabilities in a way that permits it to be compared with its carrying amount. As all investments are disclosed at fair value, carrying value and fair value are therefore the same.

Valuation of Financial Instruments Carried at Fair Value

The valuation of financial instruments has been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level 1: Financial instruments where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities, quoted equities are classified as level 1. Listed investments are shown at bid prices. The bid value of the investment is based on the bid market quotation of the relevant stock exchange.

Level 2: Financial instruments where quoted market prices are not available; for example, where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data. Fixed interest securities are traded in an active market and evaluated prices sourced from a valid pricing vendor. The values of the hedge fund of funds are based on the net asset value provided by the Fund manager. Assurances over the valuation are gained from the independent audit of the value.

Level 3: Financial instruments at level 3 are those where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data. Such instruments would include unquoted equity investments, which are valued using various valuation techniques that require significant judgement in determining appropriate assumptions. The values of the investment in private equity are based on valuations provided by the general partners to the private equity fund of funds in which the Fund has invested. These valuations are prepared in accordance with the International Private Equity and Venture Capital Valuation Guidelines, which follow the valuation principles of IFRS. Valuations are audited annually as at 31 December, and the valuations as at 31 March reflect cash flow transactions since 31 December.

The following table analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Value at 31 March 2024	Quoted Market Price Level 1 £000	Using Observable Inputs Level 2 £000	With Significant Unobservable Outputs Level 3 £000	Total £000
Long term investments	0	0	840	840
Equities	154	0	0	154
Fixed interest securities	0	489,088	0	489,088
Index-linked gilts	0	392,629	0	392,629
Pooled Equities	0	1,924,005	0	1,924,005
Infrastructure	0	0	334,005	334,005
Multi-Asset Credit	0	388,176	0	388,176
Private Debt	0	0	122,777	122,777
Private Equity	0	0	208,367	208,367
Property – unit trusts	0	0	222,109	222,109
Cash Instruments	0	36,679	0	36,679
Total	154	3,230,577	888,098	4,118,829

Cash deposits in money market fund have been included in the above analysis as they are held at fair value through profit and loss. Remaining cash deposits are held at amortised cost and therefore excluded from the analysis.

Reconciliation to Net Investments in the 31 March 2024 Net Assets Statement	31 March 2024 £000
Net Investments	4,138,251
Less cash deposits	(18,993)
Less investment income receivable	(429)
Valuation of Financial Instruments carried at fair value	4,118,829

Value at 31 March 2023	Quoted Market Price Level 1 £000	Using Observable Inputs Level 2 £000	With Significant Unobservable Outputs Level 3 £000	Total £000
Long term investments	0	0	840	840
Equities	169	0	0	169
Fixed interest securities	0	396,469	0	396,469
Index-linked gilts	0	310,040	0	310,040
Pooled Equities	0	1,894,530	0	1,894,530
Infrastructure	0	0	251,271	251,271
Multi-Asset Credit	0	347,289	0	347,289
Private Debt	0	0	73,611	73,611
Private Equity	0	0	169,082	169,082
Property – unit trusts*	0	0	209,235	209,235
Cash Instruments	0	83,106	0	83,106
Total	169	3,031,434	704,039	3,735,642

*Restated for 2022-23, see note on p56.

Cash deposits in money market fund have been included in the above analysis as they are held at fair value through profit and loss. Remaining cash deposits are held at amortised cost and therefore excluded from the analysis.

Reconciliation to Net Investments in the 31 March 2023 Net Assets Statement	31 March 2023 £000
Net investments	3,721,727
Less cash deposits	14,434
Less rounding error	(1)
Less investment income receivable	(518)
Valuation of Financial Instruments carried at fair value	3,735,642

Sensitivity Analysis of Assets Valued at Level 3

Using Mercer's analysis of market volatility for individual asset classes in the last 20 years and current market trends, the Fund has determined that the valuation methods described above are likely to be accurate within the following ranges and has set out below the potential impact on the closing value of investments held on 31 March 2024 and 31 March 2023.

	Assessed valuation range (+/-)	Value at 31 March 2024 £000	Value on increase £000	Value on decrease £000
Long term investments	23.7%	840	1,039	641
Infrastructure	19.0%	334,005	397,466	270,544
Private Debt	16.3%	122,777	142,790	102,764
Private Equity	27.6%	208,367	265,876	150,858
Property – unit trusts	18.8%	222,109	263,865	180,353
Total		888,098	1,071,036	705,160

	Assessed valuation range (+/-)	Value at 31 March 2023 £000	Value on increase £000	Value on decrease £000
Long term investments	23.5%	840	1,037	643
Infrastructure	18.5%	251,271	297,756	204,786
Private Debt	16.1%	73,611	85,462	61,760
Private Equity	27.7%	169,082	215,918	122,246
Property – unit trusts*	18.7%	209,235	248,362	170,108
Total		704,039	848,535	559,543

*Restated for 2022-23, see note below.

Reconciliation of Fair Value Measurements Within Level 3

Investments (All values are shown £000)	Value at 31 March 2023 £000	Purchases £000	Sales £000	Change in Market Value £000	Value at 31 March 2024 £000
Long term investments	840	0	0	0	840
Infrastructure	251,271	82,840	(6,344)	6,238	334,005
Private debt	73,611	51,410	(2,715)	471	122,777
Private equity	169,082	46,912	(13,021)	5,394	208,367
Property – unit trusts*	209,235	45,357	(29,265)	(3,218)	222,109
	704,039	226,519	(51,345)	8,885	888,098

****During the current reporting period, Brunel recommended reclassifying Pooled Property investments from Level 2 to Level 3 due to a reassessment of the liquidity of the assets involved. This recommendation was implemented for the current year, and as a result it was noted that the assets involved were also incorrectly classified in the previous year. Consequently, the classification of the pooled properties was restated from Level 2 to Level 3, leading to an adjustment in the amount. The value of Level 3 Pooled Property assets as at 31st March 2023 in the 2022-23 accounts was £6.754m, but it has been restated as £209.235m, reflecting an increase of £202.481m.***

Investments (All values are shown £000)	Value at 31 March 2022 £000	Purchases £000	Sales £000	Change in Market Value £000	Value at 31 March 2023 £000
Long term investments	840	0	0	0	840
Infrastructure	117,519	121,479	(10,156)	22,429	251,271
Private debt	22,664	52,732	(301)	(1,484)	73,611
Private equity	157,502	33,106	(19,213)	(2,313)	169,082
Property – unit trusts*	243,766	45,958	(41,605)	(38,884)	209,235
	542,291	253,275	(71,275)	(20,252)	704,039

The Fund's fund managers provided the following commentary on the valuation methods they use:

Fixed interest securities – level 2 - Brunel £489.088m

Brunel – fixed interest securities – active sterling corporate bonds

Price of Units in each (Royal London Pooled Pension) RLPPC Fund shall be established as at each Valuation Point (close each business day) by taking the value of any securities held in that RLPPC Fund which are quoted on a recognised Stock Exchange, the amount of any cash held in or due to that RLPPC Fund which shall be valued at face value, and value of all other assets held in that RLPPC Fund determined by Royal London to be the price which would have to be paid to purchase those assets Less; All expenses and outgoings (including without limitation taxation) which are, at the Valuation Point, payable out of that RLPPC Fund.

Index linked gilts – level 2 - Brunel £392.629m

The method used to value units is the same at every valuation date throughout the year, valuation point is 17:00. Valuations are normally carried out each working day. Notional acquisition costs allow for the costs of purchasing investments, such as stockbrokers' commissions, stamp duties and transaction costs. Notional realisation costs allow for the costs of selling investments such as stockbrokers' commissions, sales, taxes and transaction costs. There may be some withholding taxes on some overseas investments. The current valuation methodology is to value the assets of the fund at closing mid-market or last traded values and adjust for the market spread and the notional dealing expenses.

Pooled equities – level 2 - Brunel – Passive Global Developed Equities £629.467m, Active Global High Alpha Equities £626.584m, Active Global Emerging Markets Equities £172.565m, Active Low Volatility Equity £298.217m and Active Smaller Companies Equities £197.172m Authorised Contractual Scheme Funds (ACS), an ACS is a type of collective investment vehicle created to hold and manage assets on behalf of a number of investors – total £1,924.005m.

Passive equities - The method used to value units is the same at every valuation date throughout the year. All holdings of the appropriate Pooled Fund Sections are valued at the close of business valuation point using a recognised pricing service. These values are then adjusted to allow for outstanding dividends, tax payable or recoverable and any relevant expenses (this creates the “bid price”).

Active equities - Weekly priced each Wednesday valued at close of business valuation point. These values are then adjusted to allow for outstanding dividends, tax payable or recoverable and any relevant expenses (this creates “bid price”).

Infrastructure – level 3 - Brunel £330.935m and Partners Group £3.070m – total £334.005m

Brunel - Brunel selects managers who apply a fair value process, which is in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounts Principles (US GAAP). Systematically Brunel ensures valuations are driven by IPEV guidelines and that this process is annually appraised by third parties for appropriateness.

Partners Group - Partners Group performs independent valuations of its underlying investments through a fair market valuation process, which is in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounting Principles (US GAAP).

Partners Group gathers the valuation-relevant information by systematically screening a broad set of sources for valuation-relevant information about portfolio companies which are held directly or indirectly by Partners Group's programs and mandates. This includes information supplied by the firm's due diligence and monitoring professionals, underlying fund managers and information published in industry journals and/or other publications.

Multi Asset Credit – level 2 – Brunel £388.176m

Monthly valuation point for all three underlying managers, first Wednesday of each calendar month, world close. All valuations are conducted by the Alternative Investment Fund Managers (AIFM) under the rulings of the AIFM Directive. An investment which is quoted, listed or traded on or under the rules of any recognized market shall be valued at the latest available dealing price or, if unavailable or if bid and offer quotations are made, the latest available middle market quotation. The value of any investment which is not normally quoted, listed or traded on or under the rules of a recognized market, will be valued at fair value estimated with care and in good faith by the AIFM or an external third-party valuer. This includes FI securities, cash deposits, loans and derivatives.

Private Debt – level 3 - Brunel £122.777m

Brunel selects managers who apply a fair value process, which is in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounting Principles (US GAAP). Systematically Brunel ensures valuations are driven by IPEV guidelines and that this process is annually appraised by 3rd parties for appropriateness.

Private Equity – level 3 – Brunel £152.169m, Pantheon £51.939m, and Partners Group £4.259m – Total - £208.367m

Brunel – Private Equity – level 3

Brunel selects managers who apply a fair value process, which is in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounts Principles (US GAAP).

Systematically Brunel ensures valuations are driven by IPEV guidelines and that this process is annually appraised by third parties for appropriateness.

Pantheon – Private Equity – level 3

Investments are valued using the most relevant of methods listed below:

- Cost/recent round of financing/price of recent investment where recent transactions may be the most reflective of fair value.
- Comparable Private Company Transactions used for companies with low enterprise value or low EBITDA (Earnings Before Interest Tax and Depreciation) which means it is not appropriate to use earnings multiples of similar publicly listed companies.
- Earnings/Earnings Multiples/Performance Multiples valuations involve applying a multiple, appropriate to the company being valued, to the earnings of a company. The valuation is described as a function of two variables, price and earnings (The most widely used of the valuation methodologies, especially for buyout or other businesses that have comparable characteristics to companies in the public markets).
- Underlying value of Net Assets.
- Discounted Cash flows (DCF) where there are predictable cash flows visible over a given time horizon.
- Industry Benchmarks are normally based on the assumption that investors are willing to pay for market share, and that profitability of the business does not vary greatly.
- Unrestricted Publicly traded securities are valued at the closing public market price on the valuation date.

These methods are consistently applied across all investment types.

Partners Group – Private Equity – level 3

Partners Group performs independent valuations of its underlying investments through a fair market valuation process, which is in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounting Principles (US GAAP).

Partners Group gathers the valuation-relevant information by systematically screening a broad set of sources for valuation-relevant information about portfolio companies which are held directly or indirectly by Partners Group's programs and mandates. This includes information supplied by the firm's due diligence and monitoring professionals, underlying fund managers and information published in industry journals and/or other publications.

Brunel - Property unit trusts – level 3 £222.109m – Total £222.109m

Brunel selects managers who apply either open market values or fair value processes, open market values are in accordance with RICS valuation standards and fair value processes are driven by IPEV guidelines. Systematically Brunel ensure that both processes are annually appraised by third parties for appropriateness. There are no Material Uncertainty Clauses (MUCs) in place on any underlying valuations applicable to this portfolio.

Note 13 - Additional Financial Risk Management Disclosures

The Fund's primary long-term risk is that the Fund's assets will fall short of its liabilities (i.e. promised benefits payable to members). Therefore, the aim of investment risk management is to minimise the risk of an overall reduction in the value of the Fund and to maximise the opportunity for gains across the whole fund portfolio. The Fund achieves this through asset diversification to reduce exposure to market risk (price risk, currency risk and interest rate risk) and credit risk to an acceptable level. In addition, the Fund manages its liquidity risk to ensure that there is sufficient liquidity to meet the Fund's forecast cash flows. The Buckinghamshire Pension Fund Committee manages these investment risks as part of its overall Fund risk management programme.

Responsibility for the Fund's risk management strategy rests with the Buckinghamshire Pension Fund Committee. The Buckinghamshire Pension Fund Risk Assessment analyses the risks faced by the Council's pensions operations, it is reviewed regularly by the Buckinghamshire Pension Fund Committee to reflect changes in activity and in market conditions. The analysis below is designed to meet the disclosure requirements of IFRS 7.

Market Risk

Market risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in market prices of equities, commodities, interest rates, foreign exchange rates and credit spreads. This could be a result of changes in market price, interest rates or currencies. The objective of the Fund's investment strategy is to manage and control market risk exposure within acceptable parameters, while optimising the return.

In general, excessive volatility in market risk is managed through diversification across asset class, investment manager, country, industry sector and individual securities. Each manager is expected to maintain a diversified portfolio within their allocation.

Market Price Risk

Market price risk represents the risk that the value of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting the market in general.

By diversifying investments across asset classes and managers, the Fund aims to reduce the exposure to price risk. Diversification of asset classes seeks to reduce correlation of price movements, whilst the appointment of specialist managers enables the Fund to gain from their investment expertise.

Market Price - Sensitivity Analysis

Whilst the value of the Fund's assets is sensitive to changes in market conditions and the Fund's assets are diversified across fund managers and asset classes to mitigate the risks. The Fund's liability to pay future benefits is equally sensitive, particularly to interest rate changes. In consultation with Mercer, the Fund's investment consultant, the Fund has determined that the following movements in market price risk were reasonably possible for 2023/2024. The analysis assumes that all other variables, in particular foreign exchange rates and interest rates, remain constant. If the market price of the Fund's investments had increased/decreased in line with the table below, the change in the market price of net assets available to pay benefits would be as follows:

Asset Type	31 March 2024 £000	Percentage Change %	Value on increase £000	Value on decrease £000
Long term investments	840	23.70%	1,039	641
Equities	1,924,159	21.78%	2,343,241	1,505,077
Fixed interest securities	489,088	6.95%	523,080	455,096
Index linked gilts	392,629	9.10%	428,358	356,900
Overseas infrastructure	334,005	19.00%	397,466	270,544
Multi-asset credit	388,176	13.10%	439,027	337,325
Private debt	122,777	16.30%	142,790	102,764
Private equity	208,367	27.60%	265,876	150,858
Property - unit trusts	222,109	18.80%	263,865	180,353
Cash deposits	55,672	2.50%	57,064	54,280
Investment income receivable	429	21.90%	523	335
Total	4,138,251		4,862,329	3,414,173

In consultation with Mercer, the Fund's investment consultant, the Fund has determined that the following movements in market price risk were reasonably possible for 2022/2023. The analysis assumes that all other variables, in particular foreign exchange rates and interest rates, remain constant. If the market price of the Fund's investments had increased/decreases in line with the table below, the change in the market price of net assets available to pay benefits would be as follows:

Asset Type	31 March 2023 £000	Percentage Change %	Value on increase £000	Value on decrease £000
Long term investments	840	23.5%	1,037	643
Equities	1,894,699	21.62%	2,304,333	1,485,065
Fixed interest securities	396,469	6.85%	423,627	369,311
Index linked gilts	310,040	9.0%	337,944	282,136
Overseas infrastructure	251,271	18.5%	297,756	204,786
Multi-asset credit	347,289	12.9%	392,089	302,489
Private debt	73,611	16.1%	85,462	61,760
Private equity	169,082	27.7%	215,918	122,246
Property - unit trusts	209,235	18.7%	248,362	170,108
Cash deposits	68,673	0.9%	69,291	68,055
Investment income receivable	518	21.7%	630	406
Total	3,721,727		4,376,449	3,067,005

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest Rate – Sensitivity Analysis

The Fund recognises that interest rates vary and can impact income to the Fund and the fair value of the assets, both of which affect the value of the net assets available to pay benefits. The sensitivity of the Fund's investments to changes in interest rates has been analysed by showing the impact of a 1% change, long term average interest rates are expected to move less than 1% from one year to the next. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

The following two tables show the impact that a 1% in/decrease has on the value of the assets on 31 March:

31 March 2024 exposure to interest rate risk	Asset Value £000	Value after impact of 1% increase in interest rates £000	Value after impact of 1% decrease in interest rates £000
Cash and cash equivalents	69,668	70,365	68,972
Fixed interest securities	489,088	493,979	484,197
Index linked gilts	392,629	396,555	388,703
Total	951,385	960,899	941,872

31 March 2023 exposure to interest rate risk	Asset Value £000	Value after impact of 1% increase in interest rates £000	Value after impact of 1% decrease in interest rates £000
Cash and cash equivalents	80,699	80,699	80,699
Fixed interest securities	396,469	400,434	392,504
Index linked gilts	310,040	310,040	310,040
Total	787,208	791,173	783,243

The following two tables show the impact that a 1% in/decrease has on the interest receivable during the year:

2023/2024 exposure to interest rate risk	Interest receivable £000	Impact of 1% increase £000	Impact of 1% decrease £000
Cash and cash equivalents	2,117	2,138	2,096
Total	2,117	2,138	2,096

2022/2023 exposure to interest rate risk	Interest receivable £000	Impact of 1% increase £000	Impact of 1% decrease £000
Cash and cash equivalents	1,997	2,017	1,977
Total	1,997	2,017	1,977

Currency Risk

Currency risk represents the risk that the fair value of financial instruments will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on financial instruments that are denominated in any currency other than Sterling. When Sterling depreciates, the Sterling value of foreign currency denominated investments will rise, and when Sterling appreciates, the Sterling value of foreign currency denominated investments will fall. Over the long term the differences in currencies are likely to balance out and the Fund has chosen not to hedge its currencies.

Currency Risk – Sensitivity Analysis

The sensitivity of the Fund's investments to changes in foreign currency rates have been analysed using a 7.75% movement in exchange rates in either direction for 31 March 2024. This analysis assumes that all variables, in particular interest rates, remain constant. Based on the composition of the Fund's currency exposure a 7.75% fluctuation in the currency is considered reasonable. A 7.75% weakening or strengthening of Sterling against the various currencies on 31 March 2024 would have increased or decreased the net assets by the amount shown below:

Currency Exposure by Asset Type	31 March 2024 £000	Value on increase £000	Value on decrease £000
		+7.75%	-7.75%
Equities – quoted	1,813,078	1,953,592	1,672,565
Infrastructure	21,618	23,294	19,943
Overseas Private Equity	196,432	211,656	181,209
Cash deposits	11,755	12,666	10,844
Total	2,042,883	2,201,208	1,884,561

The sensitivity of the Fund's investments to changes in foreign currency rates have been analysed using an 8.21% movement in exchange rates in either direction for 31 March 2023. This analysis assumes that all variables, in particular interest rates, remain constant. Based on the composition of the Fund's currency exposure an 8.21% fluctuation in the currency is considered reasonable. An 8.21% weakening or strengthening of Sterling against the various currencies on 31 March 2023 would have increased or decreased the net assets by the amount shown below:

Currency Exposure by Asset Type	31 March 2023 £000	Value on increase £000	Value on decrease £000
		+8.21%	-8.21%
Equities – quoted	1,775,217	1,920,962	1,629,472
Infrastructure	24,631	26,653	22,609
Overseas Private Equity	163,696	177,135	150,257
Cash deposits	5,052	5,467	4,637
Total	1,968,596	2,130,217	1,806,975

One important point to note is that currency movements are not independent of each other. If Sterling strengthened generally it may rise against all the above currencies producing losses across all the currencies.

Currency Exposure by Significant Currency

The Fund's most significant currency exposures are to the US Dollar, the Euro and the Japanese Yen, using data on currency risk of 8.18% for the US Dollar, 5.48% for the Euro and 8.86% for the Japanese Yen. Weakening or strengthening of Sterling against US Dollars, Euros and Japanese Yen on 31 March 2024 would have increased or decreased the net assets by the amounts shown in the following table:

Asset Type	31 March 2024 £000	Percentage Change %	Value on increase £000	Value on decrease £000
US Dollar	1,346,035	8.18 %	1,456,141	1,235,929
Euro	230,219	5.48 %	242,835	217,603
Japanese Yen	107,839	8.86 %	117,394	98,285
Total	1,684,093		1,816,370	1,551,817

Weakening or strengthening of Sterling against US Dollars, Euros and Japanese Yen on 31 March 2023 would have increased or decreased the net assets by the amounts shown in the following table:

Asset Type	31 March 2023 £000	Percentage Change %	Value on increase £000	Value on decrease £000
US Dollar	1,244,761	8.63%	1,352,184	1,137,338
Euro	231,461	6.32%	246,089	216,833
Japanese Yen	106,758	9.05%	116,420	97,096
Total	1,582,980		1,714,693	1,451,267

Credit Risk

Credit risk represents the risk that the counterparty to a transaction or financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. The market value of investments generally reflects an assessment of credit in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of the Fund's financial assets and liabilities. The Fund's entire investment portfolio is exposed to some sort of credit risk. The Fund is exposed to credit risk through its investment managers, custodian and its daily treasury management activities. Credit risk is minimised through the careful selection and monitoring of financial institutions and counterparties. Contractual credit risk is represented by the net payment or receipt that remains outstanding.

A source of credit risk is the cash balances held internally or by managers. The Fund's bank account is held at Barclays, which holds an "A" long term credit rating. The management of the cash held in this account is managed by the Council's Treasury Management Team in line with the Council's Treasury Management Strategy which sets out the permitted counterparties and limits. The value of the Fund invested by the Treasury Management Team on 31 March 2024 was £0.489m in a Barclays current account and £13.537m was invested in Federated's money market fund. (On 31 March 2023 £0.478m was invested in a Barclays current account and £11.450m was invested in Federated's money market fund.) Cash balances forming part of the investment assets are invested with the global custodian, State Street, in a diversified money market fund rated AAAm.

Liquidity Risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The main liabilities of the Fund relate to the benefits payable which fall due over a long period of

time. The investment strategy reflects this and sets out the strategic asset allocation of the Fund. Liquidity risk is mitigated by investing a proportion of the Fund in actively traded instruments in particular equities and fixed income investments. The Fund maintains a cash balance to meet operational requirements.

The Fund defines liquid assets as assets that can be converted to cash within three months. Illiquid assets are those assets which will take longer to convert into cash. The following table summarises the Buckinghamshire Pension Fund's illiquid assets by fund manager:

31 March 2023 £000		31 March 2024 £000
248,035	Brunel infrastructure	330,935
73,611	Brunel private debt	122,777
100,429	Brunel private equity	152,169
240,674	Brunel property unit trusts	239,993
63,823	Pantheon private equity	51,914
8,067	Partners Group private markets	7,354
1	Residual mandates	0
734,640		905,142

Note 14 - Related Parties

The Buckinghamshire Pension Fund is administered by Buckinghamshire Council and therefore there is a strong relationship between Buckinghamshire Council and the Buckinghamshire Pension Fund.

Buckinghamshire Council was reimbursed £3.34m (£3.05m in the 2022/2023 year) for oversight & governance costs and administration costs incurred by the Council on behalf of the Fund. The Council is also the single largest employer of members of the Fund and contributed £66.66m to the Fund in 2023/2024 (£62.6m in the 2022/2023 year).

The Fund's surplus cash held for day-to-day cash flow purposes is invested on the money markets by Buckinghamshire Council's treasury management team, through a service level agreement. During the year to 31 March 2024, the Fund had an average investment balance of £15.7m (£13.4m in the 2022/2023 year), earning interest of £798k (£297k in the 2022/2023 year).

Membership of the Local Government Pension Scheme (LGPS) for Councillors closed to new members on 31 March 2014. Councillors who were active members ceased to be a member at the next end of term of office. There are no members of the Buckinghamshire Pension Fund Committee who are deferred or pensioner members of the Fund on 31 March 2024 (on 31 March 2023 one pensioner member and no deferred members). The Service Director of Finance and Section 151 Officer holds a key position in the financial management of the Fund and is an active member. He is an employee of Buckinghamshire Council for whom a portion of his costs of employment are re-charged to the Fund. Disclosure of his pay costs can be found within the officer remuneration note in the main Buckinghamshire Council accounts. Members of the Buckinghamshire Pension Fund Committee, the post of Service Director of Finance and Section 151 Officer and the post of Assistant Director of Finance (Pensions, Procurement and Revenues & Benefits) are the key management personnel involved with the Buckinghamshire Pension Fund. Their costs are set out in the table below. Members of the Buckinghamshire Pension Fund Committee are disclosed in the Buckinghamshire Pension Fund Report and Accounts.

31 March 2023 £000		31 March 2024 £000
31	Short-term benefits	35

The Fund has transactions with Brunel Pension Partnership Ltd (Brunel) (Company number 10429110) which was formed on 14 October 2016 and oversees the investment of pension fund assets for ten Funds. The founding Funds include The Environment Agency Pension Fund, and the Local Government Funds of Avon, Buckinghamshire, Cornwall, Devon, Dorset, Gloucestershire, Oxfordshire, Somerset and Wiltshire. Each of the ten organisations, including Buckinghamshire Council, own 10% of Brunel. During the year to 31 March 2024 Brunel provided services costing £1,445k (£1,318k in the year to 31 March 2023).

Note 15 - Current Assets and Liabilities

31 March 2023 £000	Current Assets and Liabilities	31 March 2024 £000
	Current Assets	
11,435	Contributions due from employers 31 March	14,061
12,026	Cash balances (not forming part of the investment assets)	13,996
790	Other current assets	868
24,251	Total Current Assets	28,925
	Current Liabilities	
(229)	Management charges	(167)
(1,265)	HM Revenue and Customs	(1,662)
(455)	Unpaid benefits	(754)
(2,156)	Other current liabilities	(3,560)
(4,105)	Total Current Liabilities	(6,143)
20,146	Net Current Assets	22,782

Note 16 - Taxes on Income

31 March 2023 £000	Taxes on income	31 March 2024 £000
0	Withholding tax – equities	25

The Fund retains the following taxation status:

- VAT input tax is recoverable on all fund activities by virtue of Buckinghamshire Council being the administering authority.
- The Fund is an exempt approved fund under the Finance Act 2004 and is therefore not liable to UK income tax or capital gains tax.
- Income earned from investments overseas in certain countries is subject to withholding tax, unless an exemption is available.

Note 17 - Actuarial Position of the Fund

In accordance with Regulation 62 of the Local Government Pension Scheme Regulations 2013 (as amended), the Fund's actuary, Barnett Waddingham LLP, undertakes a funding valuation every three years to review the financial position of the Fund and to set appropriate contribution rates for each employer in the Fund for the forthcoming triennial period. The last such valuation took place as at 31 March 2022. The next valuation will take place as at 31 March 2025.

On 31 March 2022, the market value of the assets held were £3.91bn, sufficient to cover 104% of the accrued liabilities assessed on an ongoing basis. No employer is permitted to pay their deficit over a period greater than eleven years from 1 April 2023. The primary rate of contribution is the employers' share of the cost of benefits accruing in each of the three years beginning 1 April 2023 and is 19.7% of payroll. In addition, some employers pay a secondary contribution rate based on their circumstances, the secondary contribution rate across the whole Fund averages 1.6% in 2023/2024, 1.5% in 2024/25 and 1.3% in 2025/26.

The results of the valuation are that the past service funding level of the Fund has increased from 94% to 104% between 31 March 2019 and 31 March 2022. Investment returns have been strong since the previous valuation, but gains in the funding position have been partially offset by a reduction in future anticipated investment returns net of inflation (i.e. a reduction in the real discount rate). To produce the future cashflows or liabilities and their present value Barnett Waddingham formulate assumptions about the factors affecting the Fund's future finances such as inflation, salary increases, investment returns, rates of mortality, early retirement and staff turnover etc.

The main assumptions used in the valuation were:

Financial assumptions

• Discount rate	4.6%
• Pension increases	2.9%
• CPI (Consumer Price Index) inflation	2.9%
• Salary increases	3.9%

Note 18 - Actuarial Present Value of Promised Retirement Benefits

International Financial Reporting Standards (IFRS) requires the disclosure of the actuarial present value of promised retirement benefits. The Fund's Actuary has prepared a report which rolls forward the value of the Employers' liabilities calculated for the triennial valuation as at 31 March 2022. On an IAS 19 basis the Actuary estimates that the net asset as at 31 March 2024 is £129m (31 March 2023 net liability of £266m), but figures calculated on an IAS 19 basis are not relevant for calculations undertaken for funding purposes or for other statutory purposes undertaken under UK pensions legislation. The Fund accounts do not take account of liabilities to pay pensions and other benefits in the future.

For the triennial valuation the actuary asks the question – what is the value of the assets required based on existing investment strategy to be sufficient to meet future liabilities? For IAS 19 valuations, however, the actuary asks the question – how much would need to be borrowed on the corporate bond market to meet future liabilities?

The expected returns on the assets held will be different from borrowing costs, and so different amounts are required. This manifests itself in different discount rates being used in each type of valuation, and so different values are placed on the same liabilities.

31 March 2023		31 March 2024
£000		£000
3,974,968	Present value of funded obligation	4,035,562
(3,708,847)	Fair value of scheme assets	(4,164,235)
266,121	Net asset	(128,673)

The present value of funded obligation consists of £3,999m (£3,936m at 31 March 2023) in respect of vested obligation and £37m (£39m at 31 March 2023) in respect of non-vested obligation. Vested benefits are the benefits that employees have a right to receive even if they do not render services to the employer. In other words, the employees will receive their vested benefits even if they stop working for the employer. Thus, non-vested benefits are the benefits an employee can receive in the future if he or she continues providing services to the employer. The liabilities above are calculated on an IAS19 basis and therefore differ from the results of the triennial funding valuation (see Note 17) because IAS19 stipulates a discount rate rather than a rate that reflects market rates. The main assumptions used were:

Financial Assumptions / Inflation Expectations

31 March 2023		31 March 2024
4.80%	Discount rate	4.95%
3.10% to 3.65%	RPI increases	3.15%
2.85%	CPI increases	2.85%
2.85%	Pension increases	2.85%
3.85%	Salary increases	3.85%

These assumptions are set with reference to market conditions on 31 March. The actuary's approach to derive the appropriate discount rate is the Single Equivalent Discount Rate (SEDR) methodology. The actuary uses sample cashflows for employers at each year and derive the single discount rate which results in the same liability value as that which would be determined using a full yield curve valuation (essentially each year's cashflows has a different discount rate). In carrying out this derivation the Actuary uses the annualised Merrill Lynch AA rated corporate bond yield curve and assumes the curve is flat beyond the 30-year point. This is consistent with the approach used at the previous accounting date.

Similar to the SEDR approach described above the actuary adopted a Single Equivalent Inflation Rate (SEIR) approach in deriving an appropriate Retail Price Index (RPI) assumption.

The SEIR adopted is such that the single assumed rate of inflation results in the same liability value (when discounted using the yield curve valuation described above) as that resulting from applying the Bank of England implied inflation curve. The Bank of England implied inflation curve is assumed to be flat beyond the 40-year point, and flat over the initial short-end period up to the 3-year point.

Consistent with past periods, the actuary's view is that gilt-implied inflation rates are currently distorted by supply and demand factors at medium and longer terms. The actuary has therefore allowed for an Inflation Risk Premium (IRP) which varies by the term of the employer's liabilities. This results in an overall IRP of between 0.0% p.a. and 0.25% p.a. depending on the term of the liabilities (for terms ranging from 1 year up to 30 years).

Consistent with the SEDR approach, assumptions are rounded to the nearest 0.05% and the actuary used sample cashflows for employers at each duration year (from 1 to 30 years) in deriving the assumptions for the Fund.

It is expected that CPI will be on average 1.0% p.a. lower than RPI for the period up to 2030. The actuary has therefore assumed that the annual increase in CPI will be 1.0% lower than the market implied increases in RPI for each year prior to 2030, and will be in line with market-implied inflation from the Bank of England inflation curve thereafter. This results in an assumed gap between the two inflation measures of between 0.20% per annum and 0.75% per annum depending on the term of the liabilities (for terms ranging from 30 years down to 5 years).

While the actuary recognises that post-2030, implied inflation will represent CPIH (i.e. including housing costs), and historically CPIH has (on average) been around 0.1% above the rate of CPI, the actuary understands that since 2003 CPI has actually been slightly higher than CPIH, rather than lower. Based on the composition of the two indices before the ONS announcement in December 2023, the actuary does not believe there is a compelling argument for the two indices to differ (on average) in the long term. The actuary therefore takes the post-2030 market implied inflation as their CPI assumption directly, making no allowance for any potential CPI-CPIH difference.

Salaries are assumed to increase at 1.0% above CPI. This approach is the same as the previous accounting date. Pension increases in the LGPS are expected to be based on Consumer Prices Index (CPI).

Demographic/Statistical assumptions

The actuary has adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2022. To project future improvements in mortality, the actuary uses a model prepared by the Continuous Mortality Investigation Bureau (CMI). The CMI update their model on an annual basis, incorporating the latest mortality data in the national population. The CMI has released the 2022 version of their model, the impact of updating the model is expected to be a slight reduction in life expectancies for all employers, largely reflecting the heavier than average mortality that was experienced during 2022. The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)	31 March 2023	31 March 2024
Retiring today		
Males	21.1	20.8
Females	24.6	24.3
Retiring in 20 years		
Males	22.3	22.0
Females	26.0	25.7

The actuary also assumed that:

- Members will exchange half of their commutable pension for cash at retirement;
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age; and
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

Note 19 - Contingent Liabilities and Contractual Commitments

Outstanding contractual commitments on 31 March 2024 relate to outstanding call payments due on unquoted limited partnership funds held in the private equity, resources, global real estate and infrastructure parts of the portfolio. The amounts “called” by the funds are irregular in both size and timing over several years from the date of each original commitment. The undrawn amount, the outstanding commitment, for each of these contracts is shown in the table below:

Outstanding Capital Commitments	31 March 2023	31 March 2024
	£000	£000
Brunel Private Debt Cycle 4	0	100,000
Brunel Infrastructure Cycle 3	214,680	182,830
Brunel Private Debt Cycle 3	136,800	65,020
Brunel Private Equity Cycle 3	150,000	140,550
Brunel Infrastructure General Cycle 2	55,110	23,480
Brunel Private Debt Cycle 2	69,430	43,180
Brunel Private Equity Cycle 2	82,390	52,210
Brunel Infrastructure Cycle 1	16,420	5,580
Brunel Private Equity Cycle 1	30,500	17,240
Brunel Infrastructure Renewables Cycle 2	55,110	44,410
Pantheon Asia Fund V LP	900	881
Pantheon Asia Fund VI LP	2,874	2,816
Pantheon USA Fund VII Limited	1,169	1,144
Pantheon USA Fund VIII Feeder LP	4,264	4,172
Pantheon Global Secondary Fund IV Feeder LP	1,638	1,603
Pantheon Europe Fund V “A” LP	844	821
Pantheon Europe Fund VI LP	3,027	2,945
Partners Group Global Resources 2009, LP	3,623	3,830
Partners Group Global Real Estate 2008 SICAR	1,771	1,593
Partners Group Global Infrastructure 2009 SICAR	3,064	2,757
	833,614	697,062

On 31 March 2024 there was one group transfer to the Fund being negotiated with another fund where the £500k value was accrued. There was one group transfer to the Fund being negotiated on the 31 March 2023, calculations had not been carried out for the transfer at that time.

On 31 March 2024 there was one group transfer out from the Fund to another fund being negotiated where the £94k value was accrued. There was one group transfer out on the 31 March 2023 where the £85k value was accrued.

The Fund is aware of the ‘Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)’ case and considers that there is potential for the outcome of this case to have an impact on Buckinghamshire Pension Fund. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension

Schemes Act 1993. In the Virgin Media case the judge ruled that alterations to the scheme rules were void and ineffective because of the absence of written actuarial confirmation required under Section 37 of the Pension Schemes Act 1993. The case was taken to The Court of Appeal in June 2024 and the original ruling was upheld.

As a result, there may be a further liability to the Pension Fund for benefits that were reduced by previous amendments, if those amendments prove invalid (i.e. were made without obtaining s37 confirmation). The Government Actuary's Department is currently undertaking a review to confirm whether such changes occurred in Local Government Pension Schemes. At this point it is not possible to estimate the potential impact, if any, on the Buckinghamshire Pension Fund and thus the obligation and liability shown in the Fund's accounts.

Note 20 - Additional Voluntary Contributions (AVCs)

AVC providers secure additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. The AVC providers to the Fund are Prudential and Scottish Widows. Prudential invests in several funds including with profits accumulation, deposit and discretionary funds. Scottish Widows invests in a range of funds to suit Scheme members' changing lifestyles. These amounts are not included in the pension fund accounts in accordance with Regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of funds) Regulations 2016.

2022/2023 £000	Prudential	2023/2024 £000
5,492	Value of AVC fund at beginning of year	5,888
25	Correction opening value	0
1,658	Employees' contributions and transfers in	2,831
(47)	Investment income and change in market value	421
(1,240)	Benefits paid and transfers out	(848)
5,888	Value of AVC fund at year end	8,292

2022/2023 £000	Scottish Widows	2023/2024 £000
2,060	Value of AVC fund at beginning of year	1,740
25	Employees' contributions	42
(136)	Investment income and change in market value	105
(209)	Benefits paid and transfers out	(142)
1,740	Value of AVC fund at year end	1,745

Note 21 - List of Scheduled and Admitted Bodies

Scheduled Bodies

Buckinghamshire Council
Buckinghamshire and Milton Keynes Fire Authority
Chiltern Crematorium
Chilterns Conservation Board
Thames Valley Police
Milton Keynes Council
Milton Keynes Development Partnership
PCC (Police and Crime Commissioner) for Thames Valley

Town & Parish Councils

Amersham Town Council
Aston Clinton Parish Council
Aylesbury Town Council
Beaconsfield Town Council
Berryfields Parish Council
Bletchley & Fenny Stratford Town Council
Bow Brickhill Parish Council
Bradwell Parish Council
Broughton & Milton Keynes Parish Council
Buckingham Park Parish Council
Buckingham Town Council
Burnham Parish Council
Campbell Park Parish Council
Chalfont St Giles Parish Council
Chepping Wycombe Parish Council
Chesham Bois Parish Council
Chesham Town Council
Coldharbour Parish Council
Coleshill Parish Council
Dorney Parish Council
Downley Parish Council
Fairfields Community Council
Gerrards Cross Parish Council
Great Missenden Parish Council
Great Marlow Parish Council
Hambleton Parish Council
Hanslope Parish Council
Hazlemere Parish Council
Hughenden Parish Council
Iver Parish Council
Ivinghoe Parish Council
Kents Hill & Monkston Parish Council
Lacey Green Parish Council
Lane End Parish Council
Little Marlow Parish Council
Little Missenden Parish Council

Loughton & Great Holm Parish Council
Marlow Bottom Parish Council
Marlow Town Council
Mentmore Parish Council
New Bradwell Parish Council
Newport Pagnell Town Council
Newton Longville Parish Council
Olney Town Council
Penn Parish Council
Piddington & Wheeler End Parish Council
Princes Risborough Town Council
Shenley Brook End and Tattenhoe Parish Council
Shenley Church End Parish Council
Slapton Parish Council
Stantonbury Parish Council
Stony Stratford Town Council
Taplow Parish Council
Waddesdon Parish Council
Wendover Parish Council
West Bletchley Town Council
West Wycombe Parish Council
Weston Turville Parish Council
Winslow Town Council
Woburn Sands Town Council
Wolverton & Greenleys Town Council
Wooburn & Bourne End Parish Council
Woughton Community Council

Schools & Academies

Abbey View Primary School
Alfriston School
Amersham School
Ashbrook School
Aspire Schools
Aylesbury College
Aylesbury Grammar School
Aylesbury High School
Aylesbury Vale Academy
Beaconsfield High School
Bearbrook Combined & Pre-school
Bedgrove Infant School
Bedgrove Junior School
Beechview Academy
Bourne End Academy
Bourton Meadow Academy
Bridge Academy
Brill CofE Combined School
Brookmead School

Brooksward School
Brushwood Junior School
Buckinghamshire New University
Buckinghamshire University Technical College
Burnham Grammar School
Bushfield School
Campfire Education Trust
Castlefield School
Chalfonts Community College
Chalfont St Peter CE Academy
Chalfont Valley E-Act Academy
Charles Warren Academy
Chenies School
Chepping View Primary Academy
Chesham Bois CofE Combined School
Chesham Grammar School
Chestnuts Academy
Chiltern Hills Academy
Chiltern Way Federation Academy
Christ the Sower Ecumenical Primary School
Cottesloe School
Curzon CofE Combined School
Danesfield School
Denbigh School
Denham Green E-Act Academy
Dorney School
Dr Challoner's Grammar School
Dr Challoner's High School
Edlesborough School
Elmhurst School (Academy)
Elmtreee Infant and Nursery School
EMLC Academy Trust
Fairfields Primary School
George Grenville Academy
Germander Park School
Gerrards Cross CoE School
Glastonbury Thorn First School
Glebe Farm School
Great Horwood CofE Combined School
Great Kimble CoE School
Great Kingshill CoE Combined School
Great Marlow School
Great Missenden CoE Combined School
Green Park School
Green Ridge Primary Academy
Hamilton Academy
Hannah Ball Academy
Heronsgate School
Heronshaw School
Holmer Green Senior School
Holmwood School

Holne Chase Primary School
Ickford Learning Trust
Insignis Academy Trust
Inspiring Futures Partnership Trust
Inspiring Futures through Learning Academy Trust
Iver Village Infant Academy
Ivingswood Academy
John Colet School
John Hampden Grammar School
Jubilee Wood Primary School
Kents Hill Park School
Kents Hill School
Kingsbridge Education Trust (MAT)
Kingsbrook View Primary Academy
Knowles Primary School
Lace Hill Academy
Lakes Academy Trust
Langland Community School
Lavendon School
Lent Rise Combined School
Longwick CofE Combined School
Lord Grey Academy
Loudwater Combined School
Loughton School
Mandeville School
Manor Farm Junior School
Middleton Primary School
Milton Keynes Academy
Milton Keynes College
Milton Keynes Education Trust
MK Primary Pupil Referral Unit
Monkston Primary Academy
Moorland Primary School
New Bradwell School
New Chapter Primary School
Oakgrove School
Olney Infant School
Olney Middle Academy
Orchard Academy
Our Ladies Catholic Primary School
Ousedale School
Overstone Combined School
Oxford Diocesan Bucks School Trust (MAT)
Oxley Park Academy
Padbury CofE School
Pioneer Secondary Academy
Portfields Combined School
Prestwood Infant School
Prestwood Junior School
Princes Risborough Primary School

Princes Risborough School
Priory Rise School
Rickley Park Primary School
Royal Grammar School
Royal Latin School
St Edwards Catholic Junior School
St John's CofE Combined School
St Joseph's Catholic Infant School
St Joseph's Catholic Primary School
St Louis Catholic Primary School
St Mary & St Giles CofE School
St Mary's CofE Combined School
St Nicolas' CE Combined School Taplow
St Paul's RC School
St Peter's Catholic Primary School
Seer Green CofE School
Shenley Brook End School
Shepherdswell School
Sir Henry Floyd Grammar School
Sir Herbert Leon Academy
Sir Thomas Fremantle Academy
Sir William Borlase's Grammar School
Sir William Ramsay School
Southwood Middle School
Speen CofE VA School
Stanton School
Stantonbury School
Stephenson Academy
The Beaconsfield School
The Hazeley Academy
The Highcrest Academy
The Kingsbrook School
The Misbourne School
The Premier Academy
The Radcliffe School
Thomas Harding Junior School
Two Mile Ash School
Waddesdon CoE School
Walton High
Water Hall Primary School
Waterside Combined School
Watling Academy
Watling Primary School
West Wycombe Combined School
Whitehouse Primary School
Wooburn Green Primary Academy
Woodside Junior School
Wycombe High School
Wyvern School

Admitted Bodies

Acorn Early Years (F&W)
Acorn Early Years (Playzone)
Acorn Early Years (Rowans)
Action for Children Services Ltd
Alliance in Partnership (BPPS)
Ambassador Theatre Group
Ambient Support
Aramark Catering Ltd
Aspens Services (MK Academy)
Aspens Services (SirTomFre)
Aston Commercial Cleaning Ltd
AtkinsRealis Ltd
Avalon Cleaning Services (Langland School)
Balfore Beatty Group
Birkin Cleaning Services (Shenley Brook End)
BOB - ICB
Buckinghamshire Music Trust
Bucks Association of Local Councils
Bucks County Museum Trust
Caterlink (Walton High)
CH & CO Catering Ltd
Chiltern Rangers CIC
Cleantec Services Limited (Denham Academy)
Cleantec Services Limited (Lord Grey)
Cleantec Services Limited (Oakgrove School)
Cleantec Services Limited (Radcliffe School)
CS Cleaning Ltd (MiltonKeynes)
Cucina Restaurants (Denbigh School)
Cucina Restaurants (Lord Grey)
Cucina Restaurants (Shenley BE)
Cucina Restaurants (Stantonbury)
Edwards and Ward Ltd

Ever Brite Cleaning (Aston Clin)
Fresh Start Catering (LHA)
Hightown Housing Association Ltd
ICTS (UK) Ltd
Innovate Services Ltd (Buckingham)
Innovate Services Ltd (Oakgrove)
Innovate Ltd (Princes Risboro)
Innovate Ltd (SirWillRam)
KGB Cleaning Southwest Ltd
May Harris Multi Services Ltd
Mears Group plc
Monitor Cleaning Services Ltd
Nexgen Facilities Srvs (BC)
Nexgen Facilities Srvs (Walton)
Oxfordshire Health NHS Foundation Trust
Pace Security Ltd (MK College)
Places for People Leisure (Newport Pagnell TC)
Places for People Leisure (WDC)
Police Superintendents Association Limited
Profile Security Services Ltd new
Rapidclean (BC Stokenchurch) new
Red Kite Community Housing Ltd
Ringway Infrastructure Services
Sasse Facilities Management Ltd
The Pantry (Chiltern Hills)
The Pantry (Two Mile Ash)
Thrift Activity Farm Ltd
Tove Trading Ltd
Turn IT On Ltd (SWR School)
Wellbeing Fitness and Leisure Community Trust
Wolverton Leisure Trust
Wycombe Heritage and Arts Trust

Investments and Funding

Strategic asset allocation

The target asset allocation and actual asset allocation at the beginning and end of the 2023/24 financial year are shown in the table below.

Table 1: Strategic Asset Allocation

	Benchmark	Target % 31 March 2023	Actual % 31 March 2023	Target % 31 March 2024	Actual % 31 March 2024
Equities					
Passive Developed Global	FTSE Developed	16.5	17.3	13.5	15.2
Global High Alpha	MSCI World	16.5	17.0	13.5	15.1
Low Volatility	MSCI ACWI	7.0	7.3	7.0	7.2
Emerging Markets	MSCI Emerging Markets	5.0	4.5	5.0	4.2
Smaller Companies	MSCI Small Cap World	5.0	4.8	5.0	4.8
Total Equities		50.0	50.9	44.0	46.5
Alternatives					
Multi Asset Credit	SONIA + 4%	10.0	9.3	10.0	9.4
UK Property	MSCI / AREF UK	6.0	6.5	5.0	5.8
Private Equity	MSCI ACWI	4.0	4.6	4.0	5.1
Private Debt	SONIA	2.0	2.0	4.0	3.0
Infrastructure	CPI	4.5	6.7	8.0	8.0
Total Alternatives		26.5	29.1	31.0	31.3
Bonds					
Index-Linked Gilts	FTSE-A UK ILG > 5 Years	10.0	8.3	12.5	9.5
UK Corporate Bonds	iBoxx Sterling Non-Gilts	13.5	10.6	12.5	11.8
Total Bonds		23.5	19.0	25.0	21.3
Cash / Other					
Cash		0.0	1.0	0.0	0.9
Total Cash		0.0	1.0	0.0	0.9
Total		100.0	100.0	100.0	100.0

A strategic review of asset allocation, in July 2023, showed that the overall risk factor (standard deviation) for the Fund was 13.8%. The next strategic review of asset allocation is due in 2026 following the outcome of the 31 March 2025 triennial valuation. Interim strategy reviews can be taken if required.

The Buckinghamshire Pension Fund's Investment Strategy Statement sets out the principles that will guide the Committee when making decisions about the investment of the Fund's assets.

Investment policy and performance report

The Fund's assets are managed by external fund managers. The Funding plan adopted in assessing the contributions for each individual employer is in accordance with the Funding Strategy Statement (FSS).

The asset value of the Buckinghamshire Pension Fund at the end March 2024 was £4.137 billion. In the year to 31 March 2024 the annual return was 10.3% compared to the benchmark return of 11.9%, an underperformance of 1.6%.

In the three years to 31 March 2024, the Fund achieved an annualised return of 3.8%, an underperformance of 1.1% compared to its 4.2% benchmark for that period.

Annual performance and three-year performance are analysed by portfolio in the following table:

Table 2: Investments' Annual and Three-Year Performance

Assets Category	Annual Performance					Three-Year		
	Opening Value £m	Closing Value £m	Net Performance %	Benchmark %	Net Relative Return %	Net Performance %	Benchmark %	Net Relative Return %
Asset Pool Managed Investments								
Active Emerging Market Equity	166	173	3.9	6.3	-2.4	-4.4	-1.8	-2.6
Active Global High Alpha Equity	631	627	20.5	23.0	-2.5	9.6	12.4	-2.8
Active Low Volatility Global Equity	272	298	13.9	21.2	-7.3	10.1	10.6	-0.5
Active Global Small Cap Equity	180	197	9.8	14.0	-4.2	2.9	4.7	-1.8
Passive Developed Global Listed Equity	646	629	22.6	22.7	-0.1	11.9	12.0	-0.1
Listed Sterling Corporate Bonds	357	489	8.8	6.1	2.7	-3.3	-4.2	0.9
Passive Index Linked Gilts greater than 5 years	310	393	-6.7	-6.8	0.1	-	-	-
Multi-Asset Credit	347	388	11.8	9.2	2.6	-	-	-
Brunel UK Property	240	240	-0.2	-1.0	0.8	2.4	0.8	1.6
Private Debt	74	123	-	-	-	-	-	-
Private Equity	100	152	-	-	-	-	-	-
Infrastructure	248	331	-	-	-	-	-	-
Total Asset Pool	3,571	4,040						
Non-Asset Pool Managed Investments								
LGIM – Passive Listed Corporate Bonds	40	0	-	-	-	-	-	-

Pantheon – Private Equity	64	52	-	-	-	-	-	-
Partners – Private Equity	8	7	-	-	-	-	-	-
Cash	38	38	-	-	-	-	-	-
Total Non-Asset Pool	150	97						
Total Fund	3,721	4,137	10.3	11.9	-1.6	3.8	4.9	-1.1

The table below shows the Fund’s investment performance over historical periods to 31 March 2024 compared to the Fund’s investment benchmark.

Table 3: Investment Performance

	1 year %	3 years %	5 years %
Buckinghamshire Pension Fund	10.3	3.8	6.2
Strategic Benchmark	11.9	4.9	6.6
Relative	-1.6	-1.1	-0.4

The Local Government Pension Scheme (LGPS) Code of Transparency

The LGPS Scheme Advisory Board in England and Wales launched a Code of Transparency in May 2017, publishing a cost template that would allow pension funds to gather cost information for listed investment assets in a consistent manner. Since then, the Financial Conduct Authority has set up a new organisation, The Cost Transparency Initiative, to take forward the work of standardising cost disclosure across the investment industry. The Fund is a strong supporter of the work carried out to date on cost transparency.

The cost transparency table for 2023/24, provided by the Fund managers, is displayed below.

Table 4: Cost Transparency Table 2023/24

Fund manager	Management Fees (£)	Third Party Fees (£)	Total Fees (£)
Brunel Pension Partnership	14,649,300	11,898,826	26,518,125
Partners Group	23,825	98,168	121,993
Pantheon	796,846	380,457	1,177,303
Total	15,469,971	12,347,451	27,817,422

Investment pooling report

In 2015 the Department of Communities and Local Government (as it then was) issued LGPS: Investment Reform Criteria and Guidance which set out how the Government expected funds to establish asset pooling arrangements. The objective was to deliver:

- Benefits of scale
- Strong governance and decision making.
- Reduced costs and excellent value for money, and
- An improved capacity and capability to invest in infrastructure.

It should be noted that the responsibility for determining asset allocations and the investment strategy remains with the individual pension funds.

As a result of the investment pooling agenda, the Buckinghamshire Pension Fund joined with nine other LGPS administering authorities to set up the Brunel Pension Partnership. The financial model estimated that net cumulative savings of £122.3m could be achieved by 2035/36 for the Buckinghamshire Pension Fund, with a breakeven point during the 2020/21 financial year.

The expected cost and savings for the Buckinghamshire Pension Fund, as per the original business case approved in February 2017, and then submitted to Government, are set out in the following tables.

Table 5: Buckinghamshire Pension Fund Expected Costs and Savings from Pooling (As per Business Case Submissions)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000
Set up cost	117	1,060				
Ongoing Brunel Costs			473	617	637	657
Client Savings			(385)	(397)	(409)	(421)
Transition Costs			1,152	1,945	10	
Fee Savings			(137)	(1,723)	(3,173)	(3,995)
Net Costs/realised savings	117	1,060	1,102	443	(2,935)	(3,758)

	2022/23	2023/24	2024/25	2025/26	2026- 36	Totals
	£000	£000	£000	£000	£000	£000
Set Up Cost						1,177
Ongoing Brunel Costs	679	701	724	747	8,952	14,185
Client Savings	(433)	(446)	(460)	(474)	(5,593)	(9,017)
Transition Costs						3,108
Fee Savings	(4,914)	(5,900)	(6,316)	(6,754)	(98,820)	(131,732)
Net Costs/Realised Savings	(4,668)	(5,646)	(6,053)	(6,481)	(95,461)	(122,279)

Following approval of the business case, the Brunel Pension Partnership Ltd (Brunel) was established in July 2017, as a company wholly owned by the Administering Authorities (in equal shares) that participate in the pool. The company is authorised by the Financial Conduct Authority (FCA). It is responsible for implementing the detailed Strategic Asset Allocations of the participating funds by investing Funds' assets within defined outcome focussed investment portfolios. It researches and selects the external managers or pooled funds needed to meet the investment objective of each portfolio.

The Buckinghamshire Pension Fund monitors the financial performance of the pool to ensure that Brunel is delivering on the key objectives of investment pooling. This includes reporting of the costs associated with the appointment and management of the pool company including set up costs, investment management expenses and the oversight and monitoring of Brunel by the client funds. The set up and transition costs incurred to date are set out in the following table.

Table 6: Buckinghamshire's Share of the Brunel Pool Set Up Costs

Buckinghamshire's Share of the Brunel Pool Set Up Costs	Cumulative to Date £000
Set up costs	

Recruitment	18
Legal	133
Consulting, Advisory & Procurement	82
Other support costs e.g. IT, accommodation	0
Share Purchase/Subscription Costs	840
Staff Costs	0
Other Costs	183
Total Set Up Costs	1,256
Transition Costs	0
Transition Fee	357
Tax	589
Other Transition Costs	5,216
Total Transition Costs	6,162

The Buckinghamshire Pension Fund initially transitioned assets to Brunel's Global Developed Passive Equity Portfolio in July 2018. By July 2021 the transition of assets was nearly complete with 88% of the Buckinghamshire Pension Fund's assets invested in portfolios managed by Brunel. Investments with the remaining legacy managers were used to fund capital calls from Brunel private markets portfolios.

By 31st March 2024, 97.7% of the Buckinghamshire Pension Fund's assets were invested in portfolios managed by the Brunel Pension Partnership. The Funds remaining legacy managers are the private equity managers, Pantheon (1.2%) and Partners Group (0.2%). A further 0.9% is in cash, which is being used to fund future capital calls from Brunel private markets portfolios and brings the total to 100%. The legacy private equity managers are distributing cash to the Buckinghamshire Pension Fund as their investments mature. This cash is also being reinvested in Brunel private markets portfolios.

The savings achieved during 2023/24 and the cumulative savings/(costs) are set out in the following tables:

Table 7: 2023/24 Investment Fee Savings from Pooling

Portfolio	Value in Original Business Case 31 March 2016 £000	Value at 31 March 2024 £000	Price Variance £000	Quantity Variance £000	Total Saving / (Cost) £000
Global Developed Passive Equity (Unhedged)	370,549	629,467	99	(57)	42
UK Equity	217,240	0	0	1,138	1,138
Low Volatility Equity	0	298,217	284	(858)	(574)
Emerging Markets Equity	0	172,565	312	(1,053)	(741)
Global High Alpha Equity	460,215	626,584	1,686	(919)	767
Smaller Company Equity	0	197,172	327	(1,292)	(965)
Diversified Returns Fund	95,247	0	0	621	621

Multi-Asset Credit	0	388,176	233	(1,145)	(912)
Sterling Corporate Bonds	194,840	489,088	613	(618)	(5)
Passive Index Linked Gilts Greater than 5 years	138,694	392,634	71	(80)	(9)
Property – unit trusts	188,298	239,993	549	(45)	504
Private Debt	0	122,777	1,716	(2,218)	(502)
Private Equity	172,370	152,169	1,167	(1,696)	(529)
Infrastructure	18,198	330,935	3,675	(6,682)	(3,007)
Total	1,855,651	4,039,777	10,732	(14,904)	(4,172)

Table 8: Cumulative Investment Fee Savings from Pooling

Portfolio	Value in Original Business Case 31 March 2016 £000	Value at 31 March 2024 £000	Price Variance £000	Quantity Variance £000	Total Saving /(Cost) £000
Global Developed Passive Equity (Unhedged)	370,549	629,467	663	(471)	192
UK Equity	217,240	0	0	6,089	6,089
Low Volatility Equity	0	298,217	1,123	(3,024)	(1,901)
Emerging Market Equity	0	172,565	1,322	(4,788)	(3,466)
Global High Alpha Equity	460,215	626,584	7,380	(3,481)	3,899
Smaller Company Equity	0	197,172	1,069	(4,255)	(3,186)
Diversified Returns Fund	95,247	0	0	2,278	2,278
Multi-Asset Credit	0	388,176	557	(3,308)	(2,751)
Sterling Corporate Bonds	194,840	489,088	1,597	(1,421)	176
Passive Index Linked Gilts Greater than 5 years	138,694	392,634	185	(239)	(54)
Property	188,298	239,993	2,007	(203)	1,804
Private Debt	0	122,777	3,826	(4,673)	(847)
Private Equity	172,370	152,169	2,422	977	3,399
Infrastructure	18,198	330,935	10,835	(18,012)	(7,177)
Total	1,855,651	4,039,777	32,986	(34,531)	(1,545)

The price variance shows the difference between the fees paid in 2023/24 and those that would have been paid at the previous rates. The quantity variance reflects the difference in fees because of asset growth or change in asset allocation compared to the business case. Therefore, when comparing the fee savings against the business case the price variance reflects the actual saving in fees. The analysis shows the fee savings achieved for the assets that have transitioned to Brunel portfolios against the fees charged at the time the business case for pooling was prepared in 2016.

At the time of the business case in 2016, the Fund was invested in UK equities and a diversified growth fund. The Fund has reduced investments in UK equities and the diversified growth fund, resulting in a quantity variance saving offset by additional costs in new allocations to emerging market equity, low volatility equity and smaller company equity. The Brunel private equity allocation is lower than the position in 2016, resulting in a quantity variance saving. Conversely, the fund had a smaller allocation to infrastructure in 2016 resulting in a quantity variance cost. The private equity allocation is expected to increase over the forthcoming years as Brunel invests the money committed to the cycles 1, 2, 3 and 4 private markets.

A summary of the costs and savings to date compared to the original business case is provided in the following table.

Table 9: Expected Costs compared to Actual Costs/Savings to Date

2023/2024	Budget in year (Original Business Case) £000	Budget Cumulative (Original Business Case) £000	Actual in year £000	Actual Cumulative £000
Set Up Costs	0	1,177	0	1,256
Ongoing Brunel Costs	701	3,763	1,458	7,160
Buckinghamshire Fund Savings	(446)	(2,491)	(319)	(1,895)
Transition Costs	0	3,108	0	6,162
Fee Savings	(5,900)	(19,842)	(10,732)	(32,986)
Net costs / (Realised Savings)	(5,645)	(14,285)	(9,593)	(20,303)

The most significant variances from the original business case can be summarised as follows:

- Additional resources have been required by Brunel over and above those envisaged by the original business case to deliver the services required by their clients. As a result, the ongoing overhead costs of the Brunel company are higher than originally estimated.
- Fee savings to date are higher than anticipated in the original business case due to the evolution of the Buckinghamshire Pension Fund's strategic asset allocation which has a higher allocation to private market investments than modelled in the original business case. Private market investments are more expensive than listed assets; although the Buckinghamshire Pension Fund has incurred an increase in absolute costs, the cost of the Brunel private market portfolios is significantly less than the pre-pooling cost of equivalent mandates.

- The original business case forecast that the Buckinghamshire Pension Fund pooling costs would break even in 2020/21. The combination of the cost of additional resources and the revised transition timetable mean that the Fund broke even in 2021/22.

The table below sets out the underlying assets classes on 31st March 2024.

Table 10: Asset Values 31 March 2024

£m Asset values 31 March 2024	Pooled	Under pool management	Not pooled	Total
Equities (including convertible shares)	1,924.005	-	154	1,924.159
Bonds	881.717	-	-	881.717
Property	222.109	-	-	222.109
Hedge funds	-	-	-	-
Diversified Growth Funds (including multi-asset funds)	338.176	-	-	337.176
Private equity	152.170	-	59.268	211.438
Private debt	122.777	-	-	122.777
Infrastructure	330.934	-	-	330.934
Derivatives	-	-	-	-
Cash and net current assets	56.101	-	-	56.101
Other	0.840	-	-	0.840
Total	4,078.829	-	59.422	4,138.251

The following table shows additional information on the Buckinghamshire Pension Fund's investment in the UK on 31 March 2024. The data is compiled on a "best endeavours basis", it includes UK assets listed on a recognised UK exchange. Private market investments include uncalled commitments when they have been allocated to funds that invest 100% in the UK.

Table 11: Investments in the UK

£m Asset values 31 March 2024	Pooled	Under pool management	Not pooled	Total
UK Listed Equities	82	0	0	82
UK Government Bonds	396	0	0	396
UK Infrastructure	38	0	0	38
UK Private Equity	18	0	0	18

Administration

How the Service is Delivered

The Pensions and Investments Team

The Pensions and Investments Team at Buckinghamshire Council administer the Local Government Pension Scheme (LGPS) on behalf of the Buckinghamshire Pension Fund. The Pensions and Investments Team consists of five sub teams: The Benefit Administration Team, the Employer Liaison Team, the Payroll Team, the Systems Team, and the Pensions Finance team. The first four sub-teams are responsible for administering the LGPS overseen by the Pensions Administration Manager and the Assistant Pensions Administration Manager. The LGPS Technical Officer takes overall responsible for Fund communications and works alongside sub-teams to achieve regulatory compliance.

Benefit Administration Team

As of 31 March 2024, there were 26,130 active members, 33,075 deferred members, 20,773 pensioner members and 2,851 dependent members. The Benefit Administration Team are responsible for dealing with all member administration on behalf of the Fund. This includes setting up records for new entrants, processing leavers, transfers, refunds, retirements, deaths, pension sharing orders on divorce, responding to all enquiries from Scheme members and providing a member helpline. The team deals with approximately 250 enquiries a day.

Payroll Team

The inhouse Payroll Team are responsible for paying all pension benefits, including the payment of refunds and death benefits. They process the monthly pensioner payroll, and issue payslips and P60s. As of 31 March 2024, there were 23,624 pensions in payment (including dependent's pensions) being paid on a monthly basis.

Employer Liaison Team

The Fund's 310 active employers include scheduled bodies, admitted bodies and Local Education Authority (LEA) schools and academies in Buckinghamshire and Milton Keynes. The Employer Liaison Team are responsible for administering the Fund's year-end procedures, admitting new employers, processing academy conversions and bulk transfers, as well as responding to all enquiries from Scheme employers, and providing them with continued support and training.

Systems Team

The Systems Team is responsible for overseeing maintenance of the specialist pensions processing systems utilised by the Team. Their role includes the management of Altair (the Fund's pension administration system), document imaging, pensioner payroll, and workflow management as well as the production of data for reporting purposes. They are responsible for the roll-out and maintenance of 'my pension online', our online member portal and i-Connect, the data exchange system used by Scheme employers.

Pension Finance Team

The Pension Finance Team is responsible for implementing the Fund's investment strategy, reviewing, and monitoring the Pension Fund's investments and ensuring all monies due to the Fund are received.

Altair

Altair is the Fund's pension administration platform designed to meet the complex requirements of digitalised pension administration. Altair provides an electronic database solution allowing for both the storage of paperwork on individual member records, as well as bulk interfacing of pension data. Altair allows for fast electronic calculations on an individual or bulk basis and stores approximately 400 of the Fund's standard letter templates that can be generated with individual member personalisation. Altair also allows for the set-up of bespoke workflow systems tailored to suit individual case procedures, allowing for effective monitoring. Performance statistics can be extracted from the workflows to assess the efficiency of administrative procedures and to measure case completion in reference to target turnaround times. Altair is linked to 'my pension online' allowing for members to view their records online. It also links to i-

Connect which allows employers to append data directly to a member's record. Information on both of these services is provided in the 'member and employer resources report' starting on [page 82](#).

Knowledge and Skills Policy Statement

The Pensions and Investments Team recognises the importance of ensuring adequate resources to discharge its responsibilities. As an organisation, we are committed to ensuring staff responsible for financial administration, governance, and decision-making, are equipped with the full range of knowledge and skills to enable them to perform their duties effectively. We seek to utilise capable and experienced staff and make provisions to ensure successful training and continued professional development. Members of the Fund's decision-making and governance bodies are offered extensive training, allowing the acquisition and maintenance of an appropriate level of expertise, knowledge and skills consummate to their role

Arrangements for gathering assurance of effective and efficient administration operations

The Pensions and Investments Team take the following actions to ensure service delivery is adequately reviewed, assessed and scrutinised for overall effectiveness:

- Ensuring reports at year-end are provided to the BPB detailing administration performance and complaints under the Internal Disputes Resolution Procedure.
- The team undergoes an internal audit on an annual basis. The internal audit report includes an action tracker which details outstanding issues.
- The Council's Audit and Governance Committee review outstanding internal audit actions. The Committee consists of twelve elected members who meet to consider matters relating to the Council's constitution, accounts, risk management and governance arrangements.

Arrangements for ensuring accuracy

The Pensions and Investments Team take the following actions to ensure accuracy of pension administration processing:

- The Systems team undertake regular system testing. Standard checks are undertaken at regular intervals and upon the introduction of any software upgrades.
- The Benefit Administration Team and Payroll Team have checking procedures embedded in all workflows to ensure both the accuracy of calculations and the fulfilment of regulatory requirements.
- The Employer Liaison Team carry out data cleansing and validation on the monthly and yearly returns submitted.
- The Treasury Team undertake financial reconciliation data checks both monthly and annually.

Arrangements for ensuring data protection and confidentiality

The Pensions and Investments Team take the following actions to ensure data protection and confidentiality:

- Callers to the Pensions Helpline must complete security checks before data is shared.
- Due to the corporate use of strong end-to-end encryption and anti-spoofing technology, Buckinghamshire Council have passed the government's whitelist assessment. We can securely email any other organisation on the government whitelist, as well as those with an email address ending 'gov.uk' as end-to-end encryption ensures the message is secure in transit.
- For those organisations not on the whitelist, or do not have a 'gov.uk' email, we are able to send and receive emails containing personal data securely via the Egress Switch encrypted email service. Under the terms of our licence, once registered, employers and Scheme members are able to correspond with us, or any other person holding a full Egress Switch licence, without charge.
- If employers are not able to use Egress Switch, they are required to password protect all correspondence containing personal data.
- All member correspondence which includes sensitive data is sent via Egress, and where they have a 'my pension online' account, it is published there, and the member must login to access the

document. We also issue emails directly to member's email accounts using our software system Altair which prevents errors occurring from miscopying email addresses.

- If a deferred or pensioner member wishes to change their address following a period where contact details are not held, we request date of birth verification and a proof of address document.
- Where a third party seeks to act on behalf of a member, a signed letter of authority dated within the past three months must be provided.
- Registration for 'my pension online' requires security verification matching and two factor authentication

The Fund's summary and full privacy notices, as well as our memorandum of understanding [are available online.](#)

Fund members and employers

Fund members

Table 1: Five-year analysis of the Fund's membership data at 31 March 2024

Composition of Membership	2019/20	2020/21	2021/22	2022/23	2023/24
Active	24,489	25,406	25,729	25,127	26,130
Deferred	29,936	30,881	32,234	33,082	33,075
Pensioner	17,920	18,509	19,320	20,006	20,773
Dependant	2,370	2,508	2,662	2,762	2,851
Frozen Refund	4,330	4,690	5,272	5,230	5,418
Undecided Leaver	1,729	1,388	592	566	354
Total	80,774	83,382	85,809	86,773	88,601

Table 2: Five-year analysis of retirement type for new pensioners.

Type of retirement	2019/20	2020/21	2021/22	2022/23	2023/24
Early retirement	815	707	772	450	586
Normal retirement	187	4	45	482	309
Late retirement	91	253	326	200	283
Ill health retirement	25	16	24	25	22
Total	1,118	980	1,167	1,157	1,200

Member resources and services

My Pension Online

'My pension online' is the Fund's self-service facility allowing Scheme members to access their pension records online safely, securely and in a way that is cost effective and environmentally friendly. Access to 'my pension online' is provided via individual login to a secure web portal available at:

<https://ms.buckinghamshire.gov.uk>. 'My pension online' sits alongside Altair, which means that any updates to member records appear live on 'my pension online' in real time. Using 'my pension online' members are able to; update addresses and death grant nomination details, view documents and letters, annual benefit statements, and, where a pension is payment, their payslips and P60s. 'My pension online' also features calculator modellers allowing members to run various pension calculations such as retirement and death estimates, and a dashboard for viewing annual benefit statements.

In line with the Fund's Communication policy statement, 'my pension online' is the default method for all communication to members. Once a document is uploaded to 'my pension online' an email notification is sent to the member advising them that the document is ready to view. Registration for 'my pension online'

is not automatic. Members must register and set up an account with a secure username and password. Members are entitled to opt out of electronic communication by providing written notice to the Fund. If the member chooses to opt out, they will receive communication by post.

The Pensions and Investments Team actively promotes registration for 'my pension online'. Methods utilised in this endeavour include:

- Targeted communication to both unregistered members and partially registered members (those who have made an attempt to register but not fulfilled the registration process in its entirety).
- Engagement with employers through various communication and training sessions to encourage them to promote the benefits of 'my pension online' to their employees.
- Promotion of the features and benefits of 'my pension online' at appropriate opportunities via letters, newsletters, forms, guides, booklets, and on the Pension Fund website.

The following table shows the distribution of registration against membership categories for 2023/24. Please note: These figures do not include frozen refunds, undecided leavers, and records for dependant members.

Table 3 – Registration for 'my pension online' on 31 March 2024.

	Total membership	Total registered	Percentage of total membership registered (rounded to .00%)
Actives	26,130	13,420	51.36%
Deferred	33,075	12,443	37.62%
Pensioners	23,624	13,958	59.08%
Total	82,829	39,821	48.08%

Website

The principal source of information for members, is the Fund website available at:

lgps.buckinghamshire.gov.uk Web content is developed and maintained by the Pensions and Investments Team and provides comprehensive information about the LGPS for all members and houses the Fund's policy statements. Also featured on the website is the Fund's latest news blog. The aim of the blog is to keep members up to date with developments which could affect them. The blog is updated on a monthly basis. All the Fund's forms (e.g. opt out form, contribution flexibility form) can be downloaded from the website.

Newsletters and other bulk communications

In addition to the above, the Fund produces an annual newsletter for both active and deferred members alongside annual benefit statements. Specific newsletters are produced for those with GMP only pensions in payment and those deferred pensioners who were formally in receipt of a tier 3 ill-health pension. Pensioner and dependant members receive the annual 'In-Touch' newsletter in March before pensions increase is applied to their pension. We also issue bulk communications to some or all members where required under disclosure legislation or where we feel it would be to their benefit.

Member support services

To support our members, we offer various virtual events throughout the year designed to help members to understand more about their pension and the options available to them. These include our annual webinar for all active members, the introduction to the LGPS webinar for new and prospective members and tax awareness presentations for those who have exceeded the annual allowance. The LGPS Technical Officer is available for face-to-face presentations where requested by an employer, subject to meeting the minimum attendance requirement as set out in the communications policy statement.

At the member's request, the Benefit Administration Team offer one to one appointments for scheme members to meet with a pensions officer and discuss their pension. This can be conducted face to face, via video link on MS Teams or over the telephone at a time within business hours that suits the member.

Current and prospective members with queries can contact us via the Fund's helpline on 01296 383755, open Monday to Thursday 9am -5.30pm and Friday 9am-5pm. The helpline is operated by dedicated staff trained to assist in answering member queries, either by providing a direct and immediate response, or by setting up workflow for further investigation.

Members can submit queries to us via 'my pension online' or by email to:

pensions@buckinghamshire.gov.uk

Members who require technical assistance accessing 'my pension online' can either call the helpline, or email our dedicated inbox: mypensiononline@buckinghamshire.gov.uk

Members are also able to submit enquiries in writing to: The Pensions and Investments Team, Buckinghamshire Council, Walton Street Offices, Walton Street, Aylesbury, Buckinghamshire, HP20 1UD.

Referrals to other services

The Pensions and Investments Team refer members to many government services, including in particular, but not limited to:

Money Helper - Money Helper provides free independent and impartial information about pensions. Money Helper is available to assist members and beneficiaries of the Scheme with any pension query they have or any general requests for information or guidance concerning their pension benefits.

In writing: Money and Pension Services, 120 Holborn, London, EC1N 2TD

By telephone: 0800 011 3797

Website: <https://www.moneyhelper.org.uk/en>

The Pensions Ombudsman (TPO) - TPO deals only with pension complaints. It can help if members have a complaint or dispute about the administration and/or management of personal and occupational pension schemes.

In writing: 10 South Colonnade, Canary Wharf, E14 4PU

By telephone: 0800 917 4487

Website: www.pensions-ombudsman.org.uk

The Financial Conduct Authority (FCA) - The FCA regulates the conduct of financial service firms and financial markets in the UK. The website provides advice and information to consumers in the avoidance of pension scams and includes a register members can check to find a suitably qualified independent financial advisor.

In writing: FCA Head Office, 12 Endeavor Square, London, E20 1JN

By telephone: 0800 111 6768

Website: <https://www.fca.org.uk/>

Dispute resolution

The Fund aims to achieve a high level of accuracy within timescales given in the statutory guidance and our customer charter. However, we do recognise that things can go wrong and we encourage informal resolution where possible. If we are unable to resolve the issue, the Local Government Pension Scheme regulations provide for an Internal Dispute Resolution Procedure (IDRP) under regulation Regulations 72 to 79 of the Local Government Pension Scheme Regulations 2013. The IDRP can be used by anyone who is, or has been in the last six months:

- An active scheme member
- A deferred scheme member
- A pension credit scheme member
- A pensioner scheme member
- A prospective scheme member (entitled worker either currently or in the future)

- A dependant scheme member including a civil partner, surviving spouse, cohabiting partner, as well as an adult or child dependant either receiving a pension or entitled to receive a pension

If there is a dispute about whether a person qualifies for one or more of these status', the IDRPs can be used to resolve it.

To commence a dispute using the IDRPs, the applicant must submit the stage one application within six months from the date they were provided with notice of the initial decision that they wish to appeal. The purpose of stage one is for the initial decision to be re-examined by whoever made the decision; this will be either the BPF or the Scheme employer. Each employer is asked to nominate a specified person to deal with IDRPs and any complaints against the Scheme employer will be directed to them. Where the complaint is against BPF, a specified person within BPF will respond to the IDRPs.

A stage two IDRPs application can begin in the following circumstances:

- It's within six months of the applicant receiving the stage one decision letter and they are unhappy with the adjudicator's decision
- The applicant has not received a decision or an interim letter from the adjudicator and it's been two months since the stage one IDRPs application was received
- The applicant received an interim letter from the adjudicator following the submission of their stage one IDRPs application, but it has been one month after the expected reply date given in the letter and the stage one decision has not been received

A stage two application will be dealt with by someone from BPF that was not involved in the initial decision. Where the stage one complaint was against the Scheme employer, the specified person within BPF or the Fund's legal advisor will undertake the stage two review. Where the stage one complaint was against the administering authority, the Fund's legal advisor is responsible for the stage two review.

If the applicant remains dissatisfied after progressing through stage two, they are entitled to seek remedy with the Pensions Ombudsman (TPO). They must do this within 3 years of the original decision being made and any decision made by TPO will be final and binding.

Table 4 – 2023/24 complaints summary

Item	Number	Details/notes
General complaints (non-IDRPs)	20	Reasons varied; majority were resolved
IDRPs	6	Further details are provided in the table below
Ombudsmen cases	2	Both cases relate to transfers out of the scheme

Table 5: Details of IDRPs cases 2023/24

Area of complaint	Authority	Stage and Case description	Date of decision	Decision
Scheme membership	Employer	<i>Stage two</i> - Appealing information provided by the scheme employer when they opted out which caused them not to opt back in. No evidence of incorrect information was found.	May 2023	Not upheld
Aggregation	Administer	<i>Stage one</i> – Member unhappy that they had lost the opportunity to combine pensions. Upon investigation it was found that the pensions should have been auto-aggregated under the regulations.	Aug 2023	Upheld
APC	Administer	<i>Stage two</i> – Member failed to fulfil APC contract and the account was credited with a proportion	Aug 2023	Not upheld

		only. However, it was found the member had been given options to pay the outstanding amount. While the complaint was not upheld the member was awarded a small compensation for distress and inconvenience.		
Ill-health retirement	Employer	<i>Stage one</i> – Appealed the employer’s decision to not award ill-health retirement. An independent review took place during the appeal process and the member was awarded a tier 1 pension.	Aug 2023	Upheld
Ill-health retirement	Employer	<i>Stage one</i> – Appealed the employer’s decision to not award ill-health retirement. An independent review took place as part of the appeal process and the member was awarded a tier 3 pension.	Aug 2023	Upheld
Ill-health retirement	Employer	<i>Stage one</i> – Appealed the employer’s decision to not award ill-health retirement. An independent review took place during the appeal process and the member was awarded a tier 1 pension.	Feb 2024	Upheld

Fund Employers

Table 6: Summary of the number of employers by type participating in the Fund as at 31 March 2024

	Active	Ceased ¹	Total
Scheduled Body	243	67	310
Admitted Body	67	128	195
Total	310	195	505

For full list of employers participating in the scheme, see [pages 25-32](#).

Employer discretions

Scheme employers participating in the LGPS in England and Wales must formulate, publish and keep under review a statement of policy on all mandatory discretions (or where the discretion is non-mandatory, are recommended to), which they have the power to exercise in relation to members of the CARE Scheme and earlier schemes.

The six specific mandatory discretions stipulated in the LGPS regulations are:

- Whether to waive upon the voluntary early payment of benefits, any actuarial reduction on compassionate grounds or otherwise
- Whether, as the 85-year rule does not (other than on flexible retirement) automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85-year rule back on in full for such members
- Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of the Scheme employer, reduce their working hours or grade
- Whether to waive all, or part of any actuarial reduction for members retiring before Normal Pension Age at full cost to the Scheme employer
- Whether, where an active member wishes to purchase extra annual pension of up to £7,579 (2023/24) by making additional pension contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a shared cost additional pension contribution (SCAPC)

¹ The total figure represents ceased employers in total not solely for the 2023/24 year

- Whether, at full cost to the Scheme employer, to grant extra annual pension of up to £7,579 (2023/24) to an active member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency

The following table summarises how the above discretions have been exercised for employer consent retirements in 2023/24. The numbers in boxes correspond to the above discretions.

Table 7: Exercise of Employer discretions in 2023/24

Employer discretion	Number
Early retirement with Employer's consent	0
Flexible retirement	28
Redundancy retirement	23
Contribute to shared cost APC	48
Grant additional pension	1
Waive any actuarial reductions	0

Employer Flexibilities

When an employer exits the Fund, a cessation valuation is carried out by the Fund actuary to assess the cost of any remaining liabilities. In most circumstances there will be a sum of money owed to the Fund known as an exit payment. Until recently, there was no alternative provided in the LGPS regulations to allow for any flexibility to meet this cost and the sum was due automatically to the Fund upon exit. In September 2020, the LGPS regulations were amended to include two further options for meeting this deficit that can be exercised at the Fund's discretion. These are:

- Whether to allow an exiting employer to meet the exit payment in instalments (Debt Spreading), or
- Whether to allow the employer to participate in the Fund as a 'deferred employer'. This would mean the employer continues to pay contributions as determined by the actuary to the Fund until their liabilities are met.

The Fund's policy on exercising these discretions can be found in the Funding Strategy Statement. During 2023/24, the Fund exercised their discretion regarding employer flexibilities in respect of one exiting employer by entering into a Deferred Debt Arrangement.

Employer resources and services

i-Connect

i-Connect is a real-time data transfer solution for employers, streamlining data transfer to the Fund by reducing the costs and risks associated with the manual processing of pensions data, such as data protection breaches. i-Connect allows for either individual or bulk data transfer, via manual or automatic upload submissions. Data is interfaced directly to Altair. i-Connect supports employers in the fulfilment of their pension responsibilities by identifying data mismatches, thereby improving the quality of data for valuations, and reducing cost and complexity to both the employer and administering authority. As i-Connect provides an improved service and represents value for money for both employers and members, the aim of the Pensions and Investments Team is to ensure a complete digitalisation of all data transfer. All new employers are automatically set up on i-Connect as part of the onboarding process and employers already in the scheme have been contacted to arrange onboarding. As of 31 March 2024, a total of ²325 employers had been onboarded to i-Connect. The Fund charges employers under the Pensions Administration Strategy for the additional work involved in processing Excel spreadsheets.

Support and training

Employers on our distribution list receive regular communications from us as well as our quarterly newsletter 'In-Form'. The newsletter conveys all important updates for members and also provides bitesize

² This is higher than the number of employers as at 31 March 2024 due to LEA schools outsourcing payroll provisions and their providers onboarding separately

training features in every issue. Past copies can be found on the website where employers can access our employer forms and a range of other resources to support them in their role. This includes resources they can use to promote the scheme to members such as 'an introduction to the LGPS' designed to be distributed alongside auto-enrolment exercises and posters to display in places of work.

Each employer is assigned a dedicated Employer Liaison Officer (ELO) who they can contact directly either by email or phone. They can also email the team inbox for assistance employers@buckinghamshire.gov.uk.

New employer's entering the Fund are offered training on various aspects of the LGPS and receive a welcome pack which includes an introductory guide setting out their responsibilities and the services we provide.

Webinars are delivered regularly to all employers providing them with training on a variety of topics. This allows employers to save on the costs associated with attending face to face training. Promotion for webinars is performed via our 'employer events and training webpage', In-Form and direct emailing. Each session features a presentation, a live Q&A and where appropriate, interactive exercises. Recordings of webinars are distributed to employers on our contacts list after the event ends.

Employer Liaison Officers are also available to deliver training at a mutually convenient time and have a range of materials available to assist employers with complex cases. Officers offer specialist support to employers and payroll providers that are not meeting the required performance standard. Regular meetings are held with such employers to monitor performance and improve data quality.

Capturing feedback from members and employers

The Pensions and Investments Team proactively aim to assess satisfaction levels of those who use by service through capturing qualitative and quantitative feedback and using this to inform on service improvement. Feedback is captured in a variety of ways to meet the needs of our customers. We have three main methods for assessing satisfaction levels:

- **The feedback inbox:** pension.feedback@buckinghamshire.gov.uk - The aim of the feedback inbox is to provide an open invitation to all our service users, particularly Scheme members, to express their thoughts on any aspect of the service in an informal and qualitative way.
- **Citizenspace surveys and MS forms surveys** - We use short digital surveys either hosted by Citizenspace or Microsoft Forms to capture feedback from members and employers about specific events such as newsletters and webinars. We also regularly issue surveys to employers to learn more about their support needs.
- **Happy or not email surveys** - Since September 2022, we have captured a high volume of quantitative feedback to establish general levels of customer satisfaction from our day-to-day interactions via 'Happy or Not'. Links to Happy or Not surveys are displayed at the end of each of our emails to both members and employers.

Between 1 April 2023 and 31 March 2024, members were asked via Happy or Not if they were happy with our service. 1,075 responses were received. The results are shown in the table below. Overall, the results show that 91% were happy with the interaction.

Table 8: Happy or Not results 2023/24

	Very Happy	Happy	Not Happy	Very unhappy
Percentage	81%	10%	2%	7%
Number	869	112	20	74

Summary of Key Projects Undertaken by the Pension Administration Team during 2023/24

The McCloud judgement

Since the Court of Appeal ruling known as the McCloud judgement, Funds have awaited the government’s final resolution to remove age discrimination from the scheme. In 2023/24 the Fund received the long-awaited response to the 2020 consultation and a further consultation was issued in May. This culminated in the Local Government Pension Scheme (Amendment) (No.3) Regulations 2023 coming into force on 1 October 2023. These regulations make substantial changes to the statutory underpin and set out directions for applying the remedy retrospectively. During 2023/24 the Fund worked to apply updated guidance issued as a result of McCloud. This included technical guidance from the LGA, revised DLUHC/GAD guidance in various areas including transfers and retirements, and updated guidance from HMRC related to the tax treatment of McCloud.

Prior to the release of the regulations, the Fund had already committed considerable efforts to prepare for McCloud. This includes testing for the integration of McCloud into our pension software system and the establishment of a dedicated McCloud sub-team within the main Benefit Administration Team. We had also been gathering membership data from employers since 2021/22. While significant progress was made, efforts to ensure data received was compliant was limited by the lack of regulatory guidance. Following the release of the regulations, we have worked with employers to gather any data not previously requested. By the end of 2023, 79% (approx.) of current employers had returned their historic data. Of those, approximately 40% have passed through initial validation checks.

Under regulation 8 of the Occupational and Personal Pensions Disclosure of Information regulations (2013) the Fund is required to notify affected members of any changes within three months of their inception. We needed to issue notification of the change to all affected members by 31 December. The new criteria makes clear that members do not need to have transferred relevant LGPS or previous public service membership to qualify. As we do not hold this type of data, and a national data sharing exercise has not been forthcoming, we took the decision as a Fund to request this information directly from active, deferred and pensioner members. We included a form along with our disclosure letters which members can use to declare relevant service to us. Members were only required to complete the form where they had information to declare. This approach supports the Fund to evidence that sufficient steps have been taken to collect relevant data and will speed up the process when checking for underpin qualification.

McCloud will be a key priority area during 2024/25. Once further guidance is received, the Fund will begin working through historic cases to implement the regulations. The Fund will also be required to ensure it is able to give members provisional underpin calculations on their annual benefit statements. This will mean that historic data for all affected members will need to have been verified and processed.

Data Improvement Plan

Complete and accurate records are essential for adequate pension administration. Data accuracy reports are produced every September and presented to The Pensions Regulator (TPR). Common data are items specified as essential in TPR guidance, while there is a defined list for LGPS administrators. An updated plan is produced annually to continue improving data quality held by the Fund. During 2023/24, the Pensions and Investments Team continued to work through identified data errors.

One of the key issues affecting data quality are records for deferred members where address details are missing. The issue occurs when individuals change address and do not inform us. The result is that they lose track of their pensions. This is an issue commonly experienced by many pension Schemes, particularly since the advent of auto-enrolment. Bulk tracing takes place on an annual basis to trace deferred members who have not updated their new address which has helped to increase the quality of our data.

Table 9: Progress on improving the Fund’s data since 2018

Year	Common data	Scheme specific data
2018	91%	86%
2019	93%	95.1%
2020	95.1%	96%
2021	95.8%	97.86%
2022	96.2%	98.94%
2023	97.2%	98.99%

Changes to scape discount rate

On 30 March 2023, the government issued a ministerial statement confirming that from 30 March, the SCAPE discount rate will be CPI plus 1.7%, a reduction from the previous rate of CPI plus 2.4%. In the LGPS, the SCAPE discount rate is used by the GAD to calculate actuarial factors in the LGPS for certain transfers, interfund adjustments and all divorce calculations. On 30 March DLUHC (Department for Levelling Up Housing and Communities) instructed all LGPS Funds to suspend such calculations with immediate effect until new factors were issued which reflect the updated discount rate. Guidance was released in stages throughout the year between 3 July and 14 November. Retirements were not suspended, however, a revised early retirement factor table was issued in June and revised late retirement factors and calculating methodology was issued in September. During 2023/24 the team worked hard to provide members with the best service by quickly implementing new guidance as it was received, clearing any backlogs related to cases that were suspended and ensuring BAU continued to be dealt with at a high standard.

My pension online platform upgrade

The Fund is committed to increasing digital access and improving the services we offer to our members. 'My pension online' supports these aims by providing opportunities for members to self-service and gain access to pension information in real time. Following confirmation from our Heywood that the host platform for 'my pension online', MSS, would no longer be developed, the Fund made the decision to move across to the new host platform, Engage. The new portal has a fresh modern layout and offers new features such as the retirement planner and annual benefit statement dashboard. It also features two factor authentication to help keep accounts safe. Following the go-live date of 11 December 2023, our communications plan focused on reaching out to those that had already registered to encourage them to undertake the steps required to transfer over to the new site. Enquiries into the team increased significantly during the transition and the team worked hard to ensure all customers were supported to move over to the new site. In 2024/25, we will work to actively promote the use of 'my pension online' to those who haven't yet registered. The new host platform offers opportunities to further develop our self-service offering, and we will look to harness these in the future.

Communications report at 31 March 2024

Regulation 61 of the LGPS Regulations 2013 requires Funds to prepare, publish and maintain a written statement setting out policies concerning communications. This includes:

- The provision of information and publicity about the scheme to members, employers and representative of members participating in the Fund.
- The promotion of the Scheme to prospective members and their employers
- The format, frequency and method of distributing such information or publicity.

Throughout 2023/24, the Pensions and Investments Team worked hard to meet the communications policy objectives which resulted in considerable achievements. This includes running a series of webinars for both members and employers and issuing bulk communications to members of all statuses.

Table 10: Table showing a summary of key (bulk) member communications issued throughout the year

Month	Description	Medium	Audience	Purpose
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March/ April	Pension tax changes	Email	Active members in 50/50 section	Inform members in 50/50 section of changes to tax savings rules
March/ April	In-Touch newsletter	Email and print	Pensioners and dependants	Annual update to summarise latest news to pensioners
April	Introduction to the LGPS	Webinar	New and prospective active members	Provide an overview of the scheme benefits and encourage retention
Monthly	Latest news blog	Website	All members	Convey news and developments to members throughout the year
June	Deferred member newsletter	Email and print	Deferred members	Annual update to summarise latest news to deferred members
July	Active member newsletter	Email and print	Active members	Annual update to summarise latest news to active members
July	Introduction to the LGPS	Webinar	New and prospective active members	Provide an overview of the scheme benefits and encourage retention
Aug	Planning for retirement	Webinar	Active members (age 50 plus)	Provide information to members thinking of retiring shortly
Nov	McCloud disclosure	'My pension online' & print	Members in scope (potentially)	Inform members about changes to the scheme under disclosure and
Nov	Annual Allowance tax presentation	Webinar	Active members exceeding Annual Allowance	Raise awareness about the annual allowance tax charge to those who exceeded
Nov	Buckinghamshire Pension Fund Live	Webinar	Active members	Annual scheme awareness webinar
Dec	'My pension online' launch of new platform	Emails x 2	'My pension online' registered users	Inform members about changes to platform and encourage registration
Jan	Annual Allowance tax reminder	Email and print	Active members exceeding Annual Allowance	Remind those who exceeded about the 31 January deadline

As per our Communications policy statement we actively sought to capture feedback on the communications services we provide and received some excellent feedback.

We issued a survey to pensioners regarding our In-Touch newsletter. The rating for In-Touch amongst the 132 respondents is displayed below.

Table 11: Table showing ratings for the 'In-Touch' newsletter

Value	I didn't read it	Poor	OK	Good	Excellent
Percentage	3.03%	0.76%	6.82%	42.42%	46.97%
Number	4	1	9	56	62

Satisfaction levels were also high amongst those who attended webinars. The rating amongst the 238 respondents for the 'retirement planning webinar' is displayed below.

Table 12: Table showing ratings for the 'retirement planning webinar'

Value	Poor	Ok	Good	Excellent
Percentage	0%	3%	34%	63%
Number	0	6	82	150

In addition to bulk communications, the Pensions and Investments Team worked to revitalise standard Fund communications by creating updated welcome packs for new members and communications associated with retirements. They also ensured changes were incorporated into existing communications comprehensively and in a timely manner. For example, those in relation to pension tax changes and amendments to GAD guidance following changes to the SCAPE discount rate.

The website is one of our most popular resources for disseminating information and is a very popular resource for our members and employers. The table below displays website use over the previous year.

Table 13: Table showing website use over the previous year

Value	Visits	Unique Visits	Page views
Annual Total	44,543	30,647	121,278
Monthly average	3,712	2,553	10,106 (3 per visit)

The Fund worked hard to fulfil its objectives in regard to employers. We have over 400 email contacts on our distribution list and issued 4 editions of our quarterly newsletter In-Form in addition to 14 separate email updates sent throughout the year. To assist employers with improving their scheme knowledge we held 4 webinars, with attendance and views of recordings steadily increasing during the year with, 30.5% of our employers represented attending at least one webinar in the previous year. Satisfaction levels amongst those attending a webinar remained high. 54.17% of employers rated a webinar as 'excellent' and 45.83% rated a webinar as 'good'.

Throughout 2023/24, we worked with various employers on ad-hoc communication projects, provided templates for all employers to use in their communications about the scheme and revised the information we provide to incoming employers. This included a web guide which we hope will act as an orientation pack for both new employers entering the Fund and new members of staff taking on roles to support with LGPS pension administration.

A full copy of the Pension Fund Communications Policy statement is available to download from the [website](#).

Key Performance Data

In March 2024 updated guidance was issued on preparing the annual report which includes standardised KPI data that all Funds must provide as part of the annual report. These are reflected in the following tables. It's important to note that the data contained within these tables do not necessarily reflect the full extent of the work of the administration team. More information and details on each category is supplied within the preceding reports.

Please note: Guidance states that Funds should endeavour to comply with the requirements for 2023/24. However, there is an understanding that Funds may not be able to meet all of the reporting requirements as these items had not been monitored prior to the revised guidance being issued. We have indicated as such in the following tables as 'data not held'.

Table 14: Total number of casework (Table A in annual report guidance)

Casework KPI	Total number of cases open at 31 March	Total number of new cases in 2023/24	Total number of cases completed in 2023/24	Total % of cases completed in 2023/24	Total number of cases completed in 2022/23	Total % of cases completed in 2022/23
Deaths recorded of active, deferred, pensioner and dependent members	117	759	765	87%	1134	92%
New dependent members	Data not held	Data not held	Data not held	Data not held	Data not held	Data not held
Deferred member retirements	102	2,515	2,518	96%	2103	95%
Active member retirements	84	683	659	86%	678	87%
Deferred benefits	154	3,562	3,561	96%	5818	95%
Transfers in (including interfunds-in, club transfers)	171	1,946	1,955	92%	1479	90%
Transfers out (including interfunds out, club transfers)	67	2,219	2,251	98%	1751	96%
Refunds	75	2,921	2,937	98%	3476	98%
Divorce quotations issued	3	262	265	100%	172	98%
Actual divorce cases	3	13	15	94%	9	75%
Member estimates requested either by scheme member or employer	32	1,021	1,024	97%	1032	97%
New joiner notifications	24	6,783	6,794	100%	6546	99%
Aggregation cases	140	3,519	3,591	98%	4601	93%
Optants out received after 3 months membership	73	1,178	1,186	95%	755	91%

Table 15: Time taken to process casework (Table B in annual report guidance)

Casework KP1	Fund target	% completed within fund target in year	% completed in previous year
Communication issued with acknowledgement of death of active, deferred, pensioner or dependant members	1 day	98%	98%
Comms issued confirming the amount of dependents pension	10 days	98%	97%
Comms issued to deferred member with pension & LS options (quote)	20 days	99%	99%
Comms issued to active member with pension & LS options (quote)	10 days	98%	97%
Comms issued to deferred member with confirmation of pension & LS (Actual)	20 days	99%	98%
Comms issued to active member with confirmation of pension & LS (Actual)	20 days	97%	97%
Payment of lump sum (both active and deferred) (payroll set up completion within 5 days of retirement process being complete)	5 days	98%	98%
Communication issued with deferred benefit options (based on initial letter issued to scheme member to advise of options available)	10 days	97%	Data not held
Communication issued to scheme members with completion of transfer in (includes transfers and interfund transfers)	20 days	99%	98%
Communication issued to scheme members with completion of transfer out (includes transfer and interfund transfers)	10 days	99%	97%
Payment of refund (based on completion at point payment is set up rather than paid)	13 days	99%	99%
Divorce quotation (based on divorce quotes for all status of member)	10 days	91%	99%
Communication issued following actual divorce proceedings (based on period from receipt of PSO to completion at which point letter of completion is issued)	20 days	80%	80%
Communication issued to new starters (Statutory notification issued within 2 months of notification of starter)	40 days	86%	Data not held
Member estimates requested by scheme member and employer	10 days	98%	99%

Table 16: Communications and engagement (Table C in annual report guidance - engagement with online portals)

Engagement with 'my pension online'	Percentage as at 31 March 2024
% of active members registered	51.52%
% of deferred member registered	37.38%
% of pensioner and survivor members	58.97%
% total of all scheme members registered for self-service	45.50%
% of all registered users that have logged onto the service in the last 12 months	68%

Table 17: Communications and engagement (Table C in annual report guidance – engagement with online portals)

Age	Number
0-9	1
10 to 19	55
20 to 29	1,544
30 to 39	4,104
40 to 49	6,462
50 to 59	10,491
60 to 69	11,446
70 to 79	5,007
80 to 89	1,036
90 to 99	113
100 +	2

Table 18: Communications and engagement (Table C in annual report guidance – communications)

Communications	Total
Number of telephone calls received in year	13,167
Number of email and online channel queries received	38,712
Number of scheme member events held in year (total of in-person and online)	4
Number of employer engagement events held in year (in-person and online)	4
Number of active members who received a one-to-one (in-person and online)	5
Total newsletters issued to Active members	1
Total newsletters issued to Deferred members	1
Total newsletters issued to Pensioner members	1
Total newsletters issued to employers	4

Table 19: Resources (Table D in annual report guidance)

Resources	Results at 31 March 2024
Total number of all administration staff (FTE)	47.2
Average service length of all administration staff	8 Years
Staff vacancy rate as %	1%
Ratio of all administration staff to total number of scheme members (all staff including management)	1:1878
Ratio of administration staff (excluding management) to total number of scheme members	1:1960

Table 20: Data quality (Table E in annual report guidance – Annual benefit statements)

Annual Benefit Statements	Total %
Annual benefit statements issued by 31 August 2023	100%

Table 21: Data quality (Table E in annual report guidance – Data category)

Data category	Total %
Common data score	97.30%
Scheme specific data score	99%
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	2.92%
Percentage of active, deferred and pensioner members with an email address held on file	63%

Table 22: Data performance (Table E in annual report guidance – Employer performance)

Employer performance	Total %
Percentage of employers set up to make monthly data submissions	99.67%
Percentage of employers who submitted monthly data on time during the reporting year	90.57%

Value for money statement

To ensure effective administration services the Fund is monitored via internal and external audits. We undertake internal benchmarking to guarantee we are delivering value for money year on year, while ensuring we are resourced sufficiently to deal with the complex, ever-increasing demands of pension administration.

The Fund’s total membership increased from 86,773 in 2022/23 to 88,601 in 2023/24, an increase of 2.11%. The cost per member increased from £31.17 in 2023 to £34.71, an increase of 11.36%. On 1 April 2023 there were 2,656 administration workflow cases open. During 2023/24, a further 64,559 administration cases were received. In total, 64,990 cases were completed throughout the year, with 2,225 cases open at 31 March 2024. Of the open cases 62% were waiting for information from either Scheme members or employers in order for processing to take place.

Our key corporate Key Performance Indicator is to complete 95% of daily workflow procedures for high priority areas. These include retirements, deaths, refunds and processing AVC’s at retirement. For each quarter in 2023/24 the following completion rates were achieved:

Table 23: Task completion rates by quarter

Quarter 1	97.01%
Quarter 2	95.00%
Quarter 3	98.34%
Quarter 4	98.22%

The average completion rate for the year has increased from 97.08% for 2022/23 to 97.14% for 2023/24.

Actuarial Report on Funds

Introduction

The last full triennial valuation of the Buckinghamshire Pension Fund (the Fund) was carried out as at 31 March 2022 as required under Regulation 62 of the Local Government Pension Scheme Regulations 2013 (the Regulations) and in accordance with the Funding Strategy Statement of the Fund. The results were published in the triennial valuation report dated 31 March 2023. The full Fund valuation report can be found on [the pension website](#).

Asset value and funding level

The results for the Fund at 31 March 2022 were as follows:

- The value of the Fund's assets as at 31 March 2022 used for valuation purposes was £3.85bn.
- The Fund had a funding level of 104% i.e. the assets were 104% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used. This corresponded to a surplus of £137m.

Contribution rates

The employer contribution rates, in addition to those paid by the members of the Fund, are set to be sufficient to meet:

- The annual accrual of benefits allowing for future pay increases and increases to pensions in payment when these fall due;
- plus an amount to reflect each participating employer's notional share of the Fund's assets compared with 100% of their liabilities in the Fund, in respect of service to the valuation date.

The primary rate of contribution on a whole Fund level was 19.7% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2023.

In addition, further "secondary" contributions were required in order to pay off the Fund's deficit by no more than 11 years with effect from the 2022 valuation. This secondary rate is based on each employer's particular circumstances and so individual adjustments are made for each employer. The total secondary contributions payable by all employers, present in the Fund as at 31 March 2022, over the three years to 31 March 2023 was estimated to be as follows:

Secondary Contributions	2020/21	2021/22	2022/23
Total as a % of payroll	1.6%	1.5%	1.3%
Equivalent to total monetary amounts of	£8.9m	£8.4m	£7.9m

In practice, each employer was assessed individually in setting the minimum contributions due from them over the inter-valuation period. Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in the triennial valuation report.

Assumptions

The key assumptions used to value the liabilities at 31 March 2022 are summarised below:

Assumptions	Assumptions used for the 2022 valuation
Financial assumptions	
CPI inflation	2.9% p.a.
Long-term salary increases	3.9% p.a.
Discount rate	4.6% p.a.
Demographic assumptions	
Post-retirement mortality	Male/Female
Member base tables	S3PA
Member mortality multiplier	110%/95%
Dependent base tables	S3DA
Dependent mortality multiplier	110%/95%
Projection model	CMI 2021
Long-term rate of improvement	1.25% pa
Smoothing parameter	7.0
Initial addition to improvements	0% pa
2020/2021 weighting parameter	5%

The mortality assumptions translate to life expectancies as follows:

Assumed life expectancies at age 65:	
Average life expectancy for current pensioners- men currently age 65	21.0 years
Average life expectancy for current pensioners- women currently age 65	23.8 years
Average life expectancy for future pensioners – men currently age 45	22.3 years
Average life expectancy for future pensioners- women currently age 45	25.2 years

Full details of the demographic and other assumptions adopted as well as details of the derivation of the financial assumptions used can be found in the 2022 valuation report.

Updated position since the 2022 valuation

Assets

Returns over the year to 31 March 2024 have been strong, particularly over the second half of the year. As at 31 March 2024, in market value terms, the value of the Fund has increased since the previous valuation.

Liabilities

The key assumption which has the greatest impact on the valuation of liabilities is the real discount rate (the discount rate relative to CPI inflation) – the higher the real discount rate the lower the value of liabilities. As at 31 March 2024, the real discount rate is estimated to be higher than at the 2022 valuation due to a reduction in the long-term rate of CPI inflation.

The value of liabilities will have increased due to the accrual of new benefits net of benefits paid, pension increases awarded and interest on the liabilities.

The 2024 pension increase order is 6.7%. The increase in liabilities associated with this has however been partially offset by the reduction in the long-term inflation assumption. This short-term high inflation and longer-term lower inflation is broadly consistent with what was assumed at the 2022 formal valuation.

Overall position

On balance, we estimate that the funding position has reduced when compared on a consistent basis to 31 March 2022.

The change in the real discount rate since 31 March 2022 is likely to place a lower value on the cost of future accrual which results in lower primary contribution rates. The impact on secondary contributions will vary by employer.

However, the next formal valuation will be carried out as at 31 March 2025 with new contribution rates set from 1 April 2026. As part of the 2025 valuation, the Fund and us as the Fund Actuary will work together in setting the assumptions for the valuation.

Roisin McGuire, FFA
Principal, Barnett Waddingham

External Audit Opinion

External audit opinion

To follow

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Glossary of Terms and Acronyms Used

Active Management	A style of investment management where the Fund manager aims to out-perform a benchmark by superior asset allocation, market timing or stock selection (or a combination of these). Compare with passive management.
Actuary	A person or firm that analyses the assets and future liabilities of a pension fund and calculates the level of employers' contributions needed to keep the Fund solvent.
Additional Voluntary Contributions (AVCs)	AVCs are paid by a contributor who decides to supplement their pension by paying extra contributions to the Fund's AVC providers.
Admitted Bodies	These are employers who have been allowed into the Fund at the Council's discretion.
Alternative Investments	These are less traditional investments where risks can be greater but potential returns higher over the long term, e.g. investments in private equity partnerships, hedge funds, commodities, foreign currency and futures.
Asset Allocation	The appointment of a fund's assets between asset classes and/or world markets. The long-term strategic asset allocation of a fund will reflect the Fund's investment objectives. In the short term, the Fund manager can aim to add value through tactical asset allocation decisions.
Benchmark	A yardstick against which the investment policy or performance of a fund manager can be compared. Asset allocation benchmarks vary from the average fund distribution (as measured by one of the performance surveys) to customised benchmarks tailored to a particular fund's requirements.
Commutation	The conversion of an annual pension entitlement into lump sum on retirement.

Contingent Liability	A possible loss, subject to confirmation by an event after the balance sheet date, where the outcome is uncertain in terms of cost.
Corporate Bonds	Corporate Bonds are debt obligations issued by private corporations to finance a variety of purposes, e.g. business expansion. When a bond is issued, the corporation promises to return the money on a specified date, paying a stated rate of interest. Bonds do not provide ownership interest in the corporation.
Corporate Governance	Issues relating to the way in which a company ensures that it is attaching maximum importance to the interest of its shareholders and how shareholders can influence management. Issues such as executive pay levels and how institutional investors use their votes have been the subject of much debate.
Custody, Custodian	Safekeeping of securities by a financial institution. The custodian keeps a record of client investments and may also collect income, process tax reclaims and provide various other services according to client instructions.
Dividend	The part of a company's after-tax earnings, which is distributed to the shareholders in the form of cash or shares. The directors of the company decide how much dividend is to be paid and when. The dividend is neither automatic nor guaranteed for ordinary shareholders.
Emerging Markets	The financial markets of developing countries.
Equities	Shares in UK and overseas companies.
Fixed Interest	Income that remains constant during the life of the asset, such as income derived from bonds, annuities and preference shares.
FTSE All-Share Index	An arithmetically weighted index of leading UK shares (by market capitalisation) listed on the London Stock Exchange. Updated daily, the FTSE 100 Index ("Footsie") covers only the largest 100 companies.

Gilts, Gilt-edged Securities	The familiar name given to sterling, marketable, fixed interest securities (or bonds) issued by the British Government.
Growth Investing	Investing in companies that are expected to increase at any above average rate compared to their industry sector or the overall market.
Hedge Fund	A specialist fund that seeks to generate consistent returns in all market conditions by exploiting opportunities resulting from inefficient markets.
Index-linked Gilts	Both the interest payments (coupons) and the value of the eventual capital repayment for index-linked gilts are adjusted in line with the change in inflation, as measured by the retail prices index (RPI). Investors are thus protected against the value of their investments being eroded by inflation.
Mature Scheme	A pension scheme with a high proportion of pensioners and a low proportion of current members. In a mature scheme, contributions are normally less than benefits paid out.
Ministry of Housing, Communities and Local Government (MHCLG)	Formerly the Department for Communities and Local Government (DCLG), MHCLG is the government department responsible for the Local Government Pension Scheme.
Passive Management	A style of investment management that seeks to attain performance equal to market or index returns.
Risk	In its simplest sense, risk is the variability of returns. Investments with greater inherent risk must promise higher expected returns if investors are to invest in them.
Scheduled Bodies	These are organisations that have a right to be in the Fund.
Stock Selection	The process of deciding which stocks to buy within an asset class.
Style	The philosophy behind the way in which a manager manages the Fund.

Tracker Fund	A fund which matches investment performance to a particular stock market index.
Transfer Value	A cash sum representing the value of a member's pension rights.
Unit Trust	A pooled fund in which investors can buy and sell units on an ongoing basis. Known as mutual funds in the US and some other countries.
Unquoted Securities	Shares which are dealt in the market, but which are not subject to any listing requirements and are given no official status.
Value Investing	An investment strategy that involves selecting stocks that appear to be trading for less than their intrinsic value.