

# OUR YEAR IN REVIEW

31 MARCH 2024





Wiltshire Pension Fund is one of the UK Local Government Pension Schemes (LGPS). Under the LGPS Regulations Wiltshire Council is the Administering Authority for the Wiltshire Pension Fund.

Members of the Fund include people who work for Wiltshire Council, and a whole range other organisations such as local Colleges or Town and Parish Councils. Around **180 employers** allow their employees to join the Fund. We currently have over **85,000 members**.

The LGPS is a Statutory Scheme. This means that it is very secure because the amount members are paid in retirement is defined and set out in law.

Members' pensions are funded in part by contributions paid into the scheme by the employers and the members, and in part by the returns earned on the Fund's investments, which are held in investment portfolios valued at just over **£3.3bn**.

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**180**

Number of  
employers  
in the Fund

We currently  
have  
**>85,000**  
members

**£3.3bn**

Current value  
of the Fund



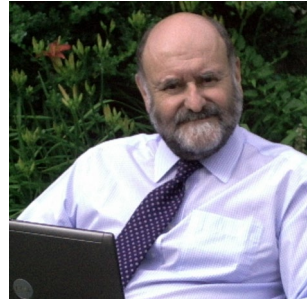
# CHAIR'S FOREWORD

Welcome to this year's Annual Report!

The value of the Fund's investments at the end of the year had risen to just over **£3.3bn**. The **big theme of the year was the impact of interest-rate changes**, particularly on the interest rate-sensitive growth stocks which the Fund has a higher exposure to.

Our future pension liabilities are discounted to their present value using a rate based on gilt yields, which rose significantly over the last two years. This has meant that our funding level has increased from **103% at the 31 March 2022 valuation** to around 129.5% at the end of the year. We take a measured view of this current funding position, proceeding with the aim of delivering stable and affordable contributions for employers in the long term.

This year, we have been implementing our **Climate Opportunities (Clops) portfolio**, which invests in a wide range of asset classes to achieve maximum impact. I recently enjoyed a visit to one of the solar farms held in this portfolio, with boasts 200,000 panels, enough to power 21,000 homes! Seeing the positive impact of our investments was a rewarding and educational experience.



During the year, we reached out to our members to understand their views on responsible investment matters. We were amazed at the level of engagement we received from the members, with just under **3,000 responses**. The message we received from our members was clear – it is important to them for WPF to invest in a sustainable way, and to use our influence to drive better outcomes through stewardship activities. I would like to thank our members for taking the time to share their views.

**Richard Britton, Chairman**  
**On behalf of the Wiltshire Pension**  
**Fund Committee**  
**19 September 2024**

The Committee continues to drive progress in order to achieve our vision for the Fund:

**“ Our vision is to deliver an outstanding service ”  
to our scheme employers and members**



# OFFICERS' FOREWORD

2023/24 has been a year of **achievements and challenges**. One significant highlight has been achieving the **significant milestone of implementing our own integrated payment systems**, through which all one-off payments and new pensioners are now paid, delivering efficiencies and stronger controls.

A huge amount has been done to **develop and invest in our team**. Work is ongoing in line with our aspiration to "Grow our own" and we are creating more opportunities within the team to encourage recruitment, retention and development. During the year, we shared our team members' stories for **Employee Appreciation Day** and **International Women's Day**. We were thrilled to be invited to participate in the **#LGPSjobs** campaign and were featured in a video promoting the LGPS as a **rewarding and inspirational place to work**.

One new area of focus this year for our investments has been social factors, which as we learnt in our **big responsible investment survey** this year are a high priority for our members, and we published our first ever **"Spotlight on Social"** report to shine a light on our work in this area. We believe that this is a great example to evidence how we thoroughly integrate responsible investment into everything that we do. The judges commended us for this at the LAMP Investment Awards, where we were absolutely delighted to win **"Best Approach to Responsible Investment"**, having previously won in 2021!

We are happy to report that our **carbon footprint is down 31%** since we began monitoring in 2019. This year's



## Climate and Nature Report

sets out our approach to net zero, showing that it is not just about decarbonisation, but that we also actively look for investment opportunities which will help drive the transition to net zero, whilst delivering us competitive financial returns.

In March 2024, the Committee approved our **3-year Business Plan**, **"Our pathway to success"**.

When we have achieved all the objectives and goals in the plan, we will be able to say that we are delivering against our vision.



Lizzie Watkin,  
Treasurer to  
the Fund  
19 September 2024



Jennifer Devine,  
Head of Wiltshire  
Pension Fund  
19 September 2024



# HOW ARE WE DOING?

In this section we highlight a couple of initiatives which aim to deliver service improvements.

## CASE STUDY - THE SERVICE IMPROVEMENT TEAM (SIT)

This year we have continued to drive efficiency through improvements in bulk processing. This was led by our **Service Improvement Team (SIT)**, who took forward a project to design and introduce new processes which can be performed in bulk. This improvement has removed the need for administrators to prepare the work individually.

The SIT has also worked with separate teams to improve processes such as bulk refunds and leavers. Members of the SIT celebrated a huge win by clearing >3,500 tasks from the system by using smarter reporting.

Thanks to the members of the SIT for their hard work this year, which has had a measurable impact on our backlog and introduced efficiencies going forward.



### EFFICIENCY THROUGH TECHNOLOGY

We collaborate, and challenge our systems and processes, to create innovative solutions and drive continuous improvement.



### LONG TERM THINKING

We always act with the long term in mind, whether we are setting our investment strategy, planning improvements, or working towards our net zero by 2050 goal.

## CASE STUDY - LGPS CREATE IS HERE

We are always listening to feedback from our scheme employers as well as those looking to join the Fund, in particular the time it takes for an admission agreement to be set up when you outsource a new contract e.g. catering or cleaning - so we've introduced **LGPS Create!**

LGPS Create is a secure portal where we can share admission agreement details with our legal representatives Eversheds Sutherland, who will then draft the admission agreements and send these to all relevant parties for signing, via DocuSign, thereby significantly reducing turnaround times. This is a great example of increased efficiency through technology and a fantastic step in helping our employers be advocates for the scheme through collaboration and smarter working practices.



Employers are advocates for the scheme



### SMARTER WORKING

We maintain focus on our core objectives, and work in a proactive and disciplined way, to promote simplicity and efficiency in everything we do.



### EFFICIENCY THROUGH TECHNOLOGY

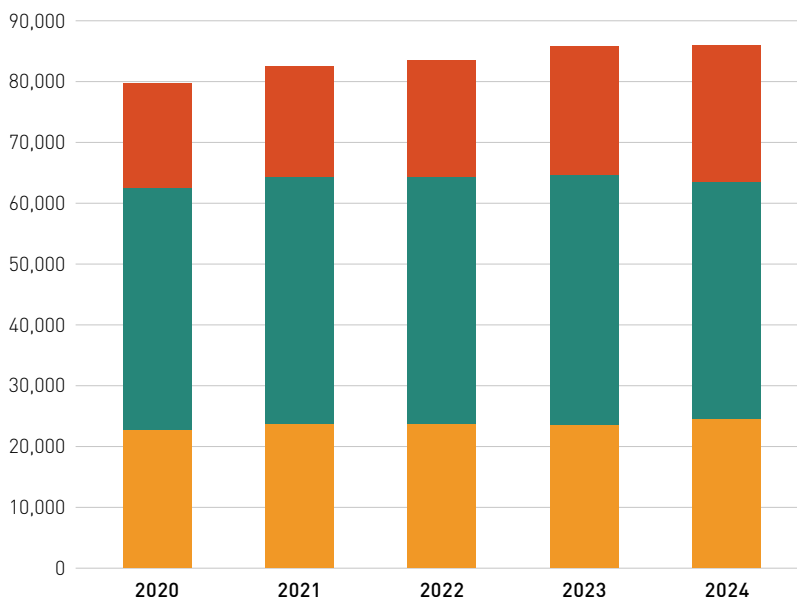
We collaborate, and challenge our systems and processes, to create innovative solutions and drive continuous improvement.



# SCHEME MEMBERSHIP

The membership of the scheme at the end of the year is set out below:

## 5-YEAR ANALYSIS OF FUND MEMBERSHIP



	2020	2021	2022	2023	2024
Active members	23,487	23,131	23,324	23,549	24,569
Deferred members	39,187	40,287	40,826	40,669	39,041
Pensions in payment	18,150	19,036	20,288	21,240	22,129
<b>Total membership</b>	<b>80,824</b>	<b>82,454</b>	<b>84,438</b>	<b>85,458</b>	<b>85,739</b>

**Active** members are those that are currently employed by Wiltshire Council or other participating employers. **Deferred** members are those that have left employment before retirement and have preserved benefits in the Fund. **Pensioners** are those members that are receiving a pension from the fund and includes those in receipt of a dependant's pension.

# SCHEME EMPLOYERS

There were 11 new employers joining the Fund during 2023/24, of these:

- 5 were new admissions relating to outsourced services from education based organisations, e.g. catering or cleaning companies
- 5 Parish Council's joined the Fund, that previously had their pension provision elsewhere
- Wiltshire Bobby Van Trust (admitted body) joined the Fund

9 employers (admitted bodies) exited the Fund during 2023/24. The reasons for exiting ranged from the employers' last active members left their employment, to contracts coming to an end or the employer ceasing trading.

	Active 2023	New	Merged	Ceased	Total 2024
Scheduled Body – Includes Academies, Town and Parish Councils and Wiltshire, Swindon and Salisbury Council	102	5	2	0	105
Admitted Body	78	6	0	9	75
<b>Total</b>	<b>180</b>	<b>11</b>	<b>2</b>	<b>9</b>	<b>180</b>

WILTSHIRE COUNCIL

SWINDON COUNCIL

WILTSHIRE PC & CC

WHITE HORSE ACADEMIES FEDERATION

TOWN & PARISH COUNCILS

NEW COLLEGE SWINDON

BRUNEL SEN MAT

WOOTON BASSETT ACADEMY

BRUNEL PENSION PARTNERSHIP

WILTSHIRE FIRE AUTHORITY

DORSET & WILTSHIRE

COLLEGE

WILTSHIRE MAGNA LEARNING PARTNERSHIP CIPFA

**FOLLOW  
THE LINKS  
TO LEARN  
MORE!**

# **ENGAGEMENT WITH OUR SCHEME EMPLOYERS AND MEMBERS**



Transparency and  
information sharing



Employers are  
advocates for the  
scheme



Widely adopted  
self-service solutions



## **CLEAR COMMUNICATIONS**

We communicate with all our  
stakeholders in a clear, concise,  
relevant and effective way



Members understand  
their benefits





# REPORT FROM THE EMPLOYER REPRESENTATIVES OF THE FUND

During 2023/24, we have been building on work completed in 2022/23 to help improve representation for employers at a strategic level.

**Employer newsletters** sent over the last 18 months have contained important updates for employers and have been well received. The employers' website has been revised to make the content clearer and easier to find, and this year we held our first in-person **employers' forum** since the pandemic.

2023/2024 has seen a noticeable change in Fund's employer make up, in that **educational based employers now hold the largest membership** and just over a third of all the Fund employers are based outside of the County. Looking ahead to the oncoming year, there will be a continuation of more schools academizing and mergers of existing academies.

At Committee, we oversee the ongoing progress being made to the Fund's administration function and key performance indicator statistics in monitoring reports. Further controls, that are being implemented more widely across the Fund, are reported via a risk register. We understand the important core issues for employers; **straight-forward administration and accurate, up-to-date member records.**

Tracy Adams stood down as employer rep during the year and has recently been replaced by Jodie Smart. We look forward to continuing to represent the employers over the year ahead! Please contact us if you have any questions or have a matter you would like to raise.

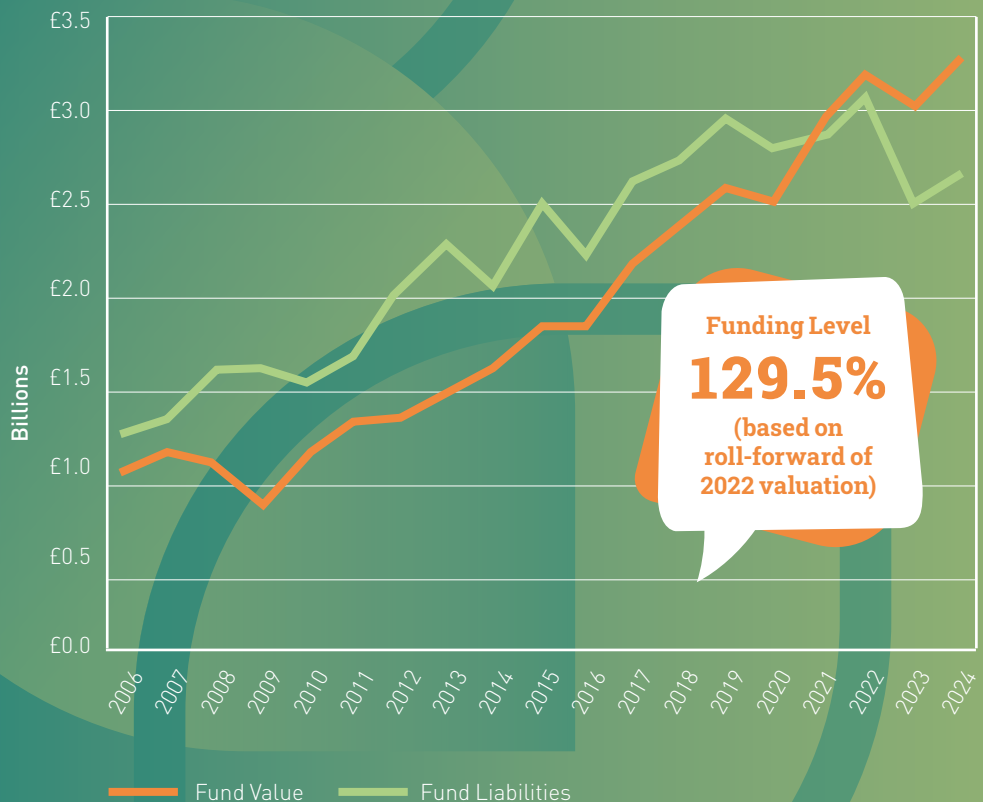


**Claire Anthony**  
Director of Finance & Business  
Magna Learning Partnership

# THE FINANCIAL HEALTH OF THE FUND

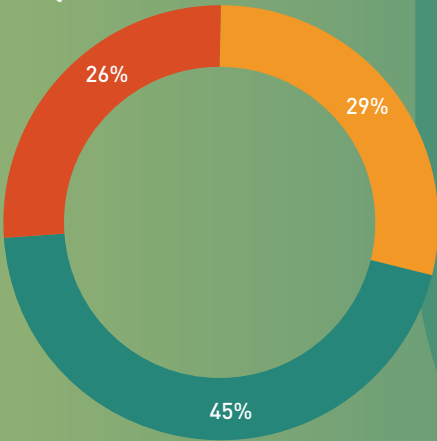
**£3.3bn**  
(current value of the Fund)

Fund Value vs Liabilities for years ending 31 March



Total number of members  
in the pension scheme –

**85,739**



- Active
- Deferred
- Pensioners

We currently have  
**>85,000**  
MEMBERS

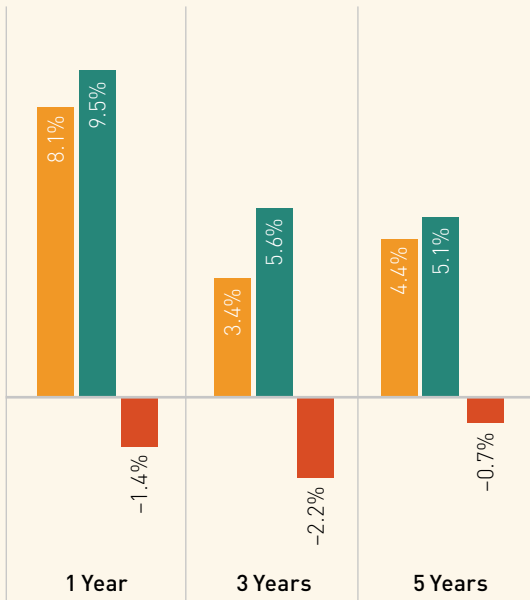
We received  
contributions of  
**£153m**  
and paid out benefits of  
**£113m**  
during the year

It cost us  
**£4.4m**  
to run the fund (admin,  
oversight and governance  
costs), equivalent to  
**£49**  
PER MEMBER

# INVESTMENT HIGHLIGHTS

## WHOLE FUND RETURNS

to 31 March 2024



**£3.3bn**

(value of our investments as at 31 March 2024)

**70%**

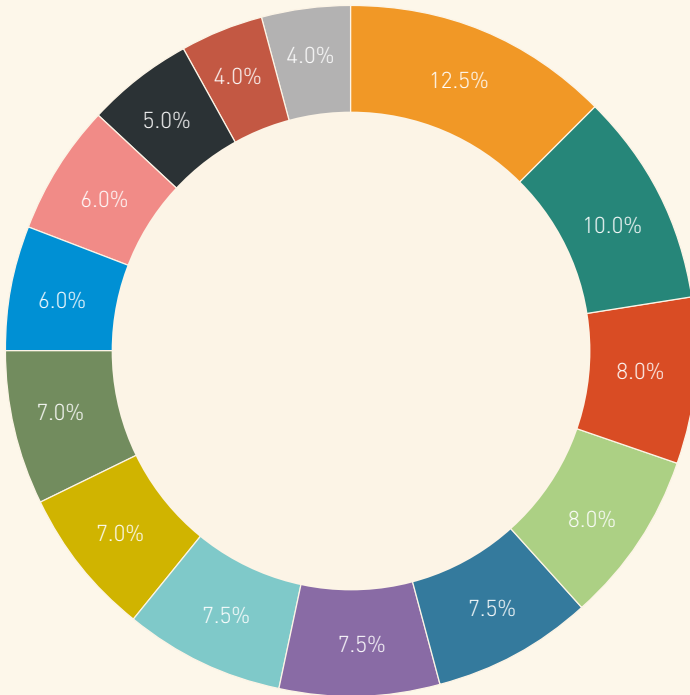
**OF OUR ASSETS**

are now pooled through the Brunel Pension Partnership

	1 Year	3 Years	5 Years
Net Return	8.1%	3.4%	4.4%
Combined Benchmark	9.5%	5.6%	5.1%
Return Against Benchmark	-1.4%	-2.2%	-0.7%



## LONG TERM STRATEGIC ASSET ALLOCATION



- Paris-aligned passive equities
- Global High Alpha active equities
- Global Sustainable active equities
- Private equity
- Emerging Market Multi-Asset (Active equity & debt)
- Multi-Asset credit
- Private debt
- Private Core Infrastructure
- Climate Opportunities
- Secured Income
- Impact Affordable Housing
- Core Property
- Liquid Loans
- Passive Gilts



**Our private markets  
portfolios are growing!**

During 2023/24, we funded

**103 private market  
capital calls**

at a value of

**£241.1m**

The fund has  
maintained its

**Stewardship  
Code Signatory status.**

We launched our  
**new transparency  
tool**

for our Equities Holdings.



We have made  
**investment  
commitments to  
4 investment managers**

to progress our allocation to  
Climate Opportunities.

The fund was  
part of the  
**UK's largest ever  
operational Solar  
Portfolio Deal**

– the Toucan  
energy portfolio.

Our Carbon  
footprint is  
**down 31%  
since 2019.**



# SUMMARY FINANCIAL STATEMENTS (UNAUDITED)

## FUND ACCOUNT

For the year ended 31 March 2024

	2023/24 £m	2022/23 £m
<b>Contributions and other income</b> (member and employer contributions, transfers in from other pension funds)	168.9	141.8
<b>Benefits and other payments</b> (pension payments, lump sums and leavers)	(124.4)	(106.9)
<b>Expenses</b> (investment management, administration, governance and advisory expenses)	(39.8)	(37.5)
<b>Investment returns</b> (change in market value, investment income)	273.1	(157.1)
<b>Net increase in the fund during the year</b>	<b>277.8</b>	<b>(159.7)</b>
<b>Opening net assets of the scheme</b>	<b>3,070.7</b>	<b>2,960.0</b>
<b>Closing net assets of the scheme</b>	<b>3,348.5</b>	<b>3,070.7</b>

## NET ASSETS STATEMENT

For the year ended 31 March 2024

	2023/24 £m	2022/23 £m
<b>Investments</b>		
Investments held on behalf of the Fund by Brunel Pension Partnership	2,312.3	2,154.7
Investments held on behalf of the Fund by other investment managers	1,007.6	896.1
<b>Other assets and liabilities</b>	<b>28.6</b>	<b>20.0</b>
<b>Net assets of the Scheme</b>	<b>3,348.5</b>	<b>3,070.7</b>

NB Some figures may not sum to total assets due to rounding





# WOULD YOU LIKE TO FIND OUT MORE?

Please follow the links below to learn about what we do in more detail.

**OUR VISION,  
GOALS AND  
VALUES**

**OUR  
BUSINESS  
PLAN 24/27**

**PREVIOUS  
ANNUAL  
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