

West Sussex Pension Fund Annual Report 1 April 2022 to 31 March 2023



Contents

Foreword by the Chairman of the Pension Committee	3
Foreword by the Chairman of the Pension Advisory Board.....	4
The West Sussex Local Government Pension Scheme.....	5
The Scheme	5
Scheme Participation	6
Scheme Management.....	8
The Pension Fund and its Performance.....	9
Investment Assets.....	10
Investment Performance	12
Stewardship	16
Investment Pooling.....	18
Funding Position.....	19
Administration Performance	20
Employer Performance	22
Data Quality	22
Risk and Control	23
Risk Register	23
Audit.....	24
Appendices	25
Appendix 1A – Committee and Board Membership and Attendance.....	25
Appendix 1B – Officers and Advisers.....	28
Appendix 2A – Statement of Accounts	30
Appendix 2B – Further Financial Information.....	31
Appendix 3 – Contributions by Employer	34
Appendix 4 – Investment Performance.....	43
Appendix 5 – Audit Assurance	44
Appendix 6 – Pension Fund Documents (PDF)	45
Appendix 7 – Contact and Services	46

Foreword by the Chairman of the Pension Committee

I am pleased to provide an update on the Pension Fund's activities during 2022/23.

At the end of March, the Bank of England Base Rate reached 4.25%. 12 months earlier it was 0.75%. This rapid tightening of monetary policy in response to surging inflation created a challenging backdrop for investors and whilst the Pension Fund has been reviewing its investments, cashflow and funding strategy it maintains a long term approach to managing the Pension Scheme in the best interests of its nearly 86,000 members.

On 31 March 2023 the fund was valued at £5,331m, (compared to £5,470m at 31 March 2022). Overall, the Fund outperformed the market with a return of -2.3% versus a market index of -4.6%. In part this was due to its holdings in consumer staples - companies that provide goods and services that people use daily, like food, clothing, or other personal products - which performed well. However not holding energy companies within the equity portfolio (which were the best performing sector over the year) did have some impact on performance. Early in 2022/23 we moved from the Global Alpha Equity Fund to the Global Alpha Paris Aligned Equity Fund, which includes an objective to have a weighted average greenhouse gas intensity lower than an index aligned to the Paris Agreement. In addition to the returns generated, the Committee is also keen to ensure that the portfolios invested in by the Pension Fund, and the managers appointed, have established investment processes which support the approach to long term stewardship and demonstrate their active consideration of environmental, social and governance principles. Their approach is described in more detail within this report.

During the 2022/23 financial year the Fund successfully completed the 31 March 2022 Actuarial Valuation by the statutory deadline (31 March 2023). Member benefits are guaranteed, but this is a key health-check for the Pensions Committee to ensure it remains on course to hold enough assets to pay the pension benefits built up by participating members. This showed funding positions had improved (on average) from 112% to 125% over the three years, and as a result 88% of employers were able to benefit from a reduction in their contribution rate from 1 April 2023.

Alongside the Actuarial Valuation the Pensions Committee also undertook a review of the investment strategy. This allows changes to the membership profile, benefit cashflows and contributions to be taken into consideration and ensure that the mix of investments held continue to support the Pension Fund to meet its objectives of stable and affordable employer contributions. During the next few months, the Pensions Committee will reflect on the findings from this review and consult on its revised Investment Strategy Statement.

Another area which crosses the year is the McCloud judgment. This is based on a claim that members of public service pension schemes, including the Local Government Pension Scheme (LGPS), were discriminated against when changes to the schemes were introduced from 2014. Whilst the implementation date is October 2023, the fund has been working proactively with employers to ensure it has as much information as possible collected from employers in readiness to implement changes to benefits. Members and employers will be updated as the work progresses.

Jeremy Hunt
Chairman of the Pension Committee

Foreword by the Chairman of the Pension Advisory Board

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

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

The Board has continued to operate well and has reverted to physical meetings on a 'hybrid' basis allowing virtual access where necessary. The business for each meeting has been planned by reference to the Business Plan agreed for 2022/23 and is based on the responsibilities of the Board and guidance issued about key issues to be covered. The plan has been comprehensively addressed during the year and there have been no disputes in the decisions reached. Key items covered include administration performance, communications, policy statements, cyber security, new regulations and guidance, the pooling arrangements with ACCESS, and knowledge and skills requirements. However, there is some frustration that new initiatives affecting governance have stalled centrally (by central government and national regulators) over the past three years.

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

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

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

Peter Scales
Chairman of the Pension Advisory Board

The West Sussex Local Government Pension Scheme

The Scheme

The Local Government Pension Scheme (LGPS) is one of the largest public sector pension schemes in the UK. It is a nationwide pension scheme with currently 6.3 million members across almost 20,000 employers.

The LGPS in England and Wales is administered locally through 86 local pension funds. West Sussex County Council is required to maintain a pension fund for its employees and those of other Scheme Employers within its area.

The LGPS is a valuable part of the pay and reward package for employees. Benefits are set nationally and summarised below.

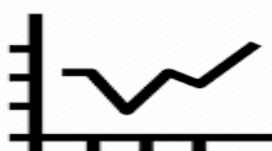


The LGPS is a 'defined benefit' Scheme which means each year 1/49th of a members pensionable pay (or 1/98th if a member elects to pay into the 50/50 section of the Scheme) is put into their pension account.

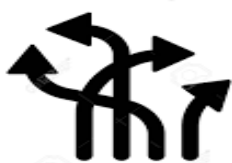
Pension benefits are based on membership in the Scheme and are set in Regulations – they are not dependent on the returns achieved by the Fund on its investments.



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



Pension accounts and pensions in payment are adjusted each April in line with the cost of living. The increase is based on the September-to-September adjustment to the Consumer Prices Index (CPI). The CPI index for the year up to September 2022 was 10.1%, and this increase was applied in April 2023.



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



The rate of contributions a member will pay is set nationally and range from 5.5% to 12.5%, dependent on a members pay. The average contribution from employees is 6.5% nationally.

Employer contributions are set every three years by the local Fund. The employer contribution rates for employers in the West Sussex Scheme range from 0.0% to 46.3% of pensionable pay for the financial year ending 31 March 2023.

Scheme Participation

The table below summarises the mix of employers participating in the West Sussex LGPS. In total there were 312 employers on 31 March 2023.

		With active members	No active members	Total
Scheduled Bodies, Resolution Bodies, Colleges, and Academies	Regulations allow employees of certain bodies to join the Scheme including the County Council, District and Borough Councils, Sussex Police & Crime Commissioner, non-uniformed personnel employed by the Chief Constable, some employees within Town and Parish Councils and non-teaching staff at Colleges and Academies.	171	32	203
Admitted Bodies	These include voluntary, charitable, and similar bodies or private contractors undertaking a local authority function following outsourcing to the private sector.	45	64	109
Total		216	96	312

There were 85,957 members within the West Sussex Scheme on 31 March 2023 across the 312 employers, split between active, deferred and pensioner members.

- **Active membership**

These are members who continue to pay into the Scheme to build up their LGPS pension. How much pension is built up in the LGPS is based on pay and length of participation.

At the 2022 valuation, just under half of the active membership in the West Sussex LGPS consisted of part time female employees, with an average salary of £12,768 per annum. The whole fund average salary was £20,152 per annum.

- **Deferred membership**

These members have left their job or the Scheme before retirement (and who have contributed to the Scheme for two years). The deferred pension will be held in the LGPS until the member chooses to take their deferred pension benefits, or it is transferred to another pension arrangement.

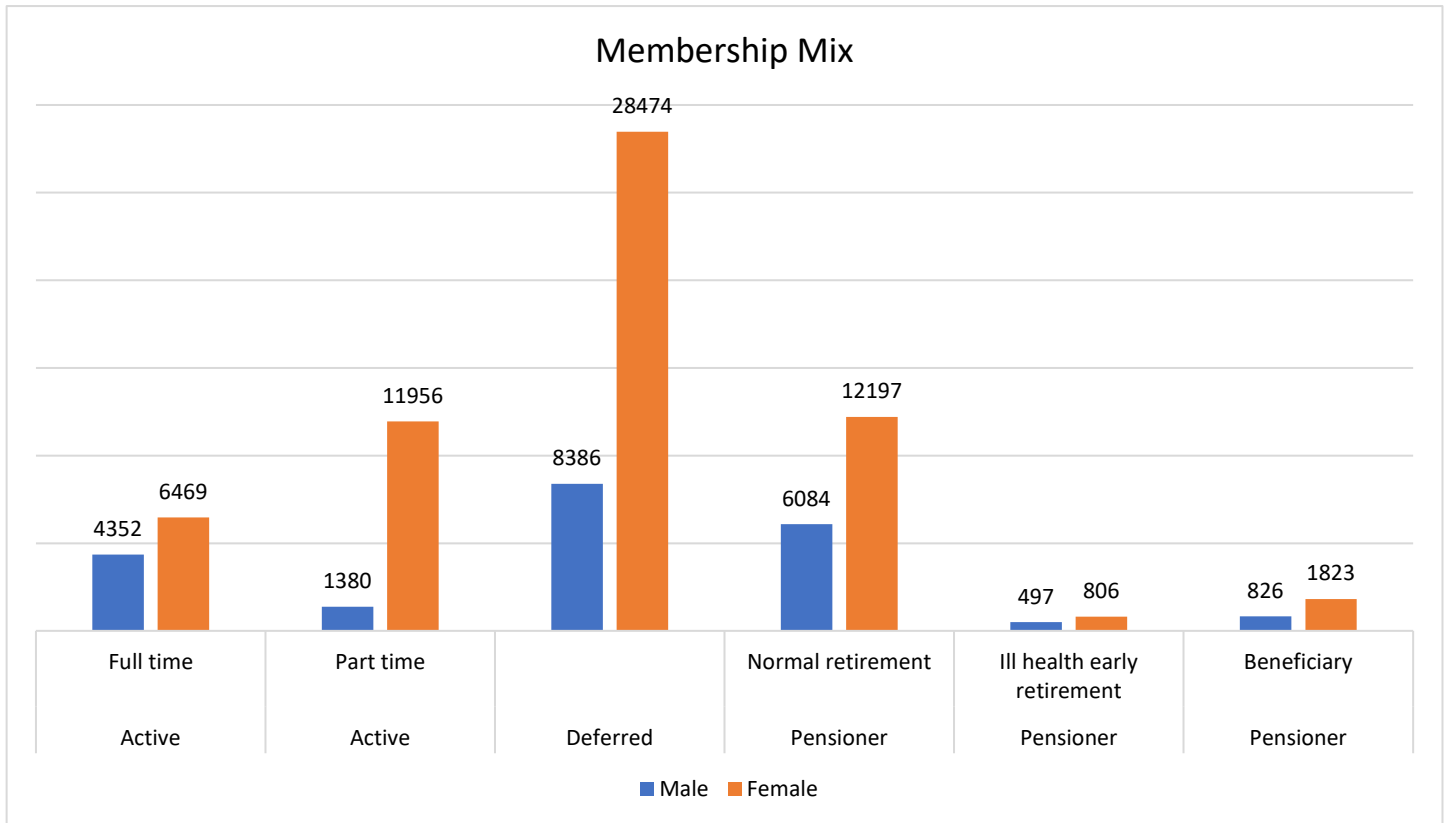
The average deferred pension pot in the West Sussex LGPS is £1,433 per annum (based on the 2022 valuation).

- **Pensioner members**

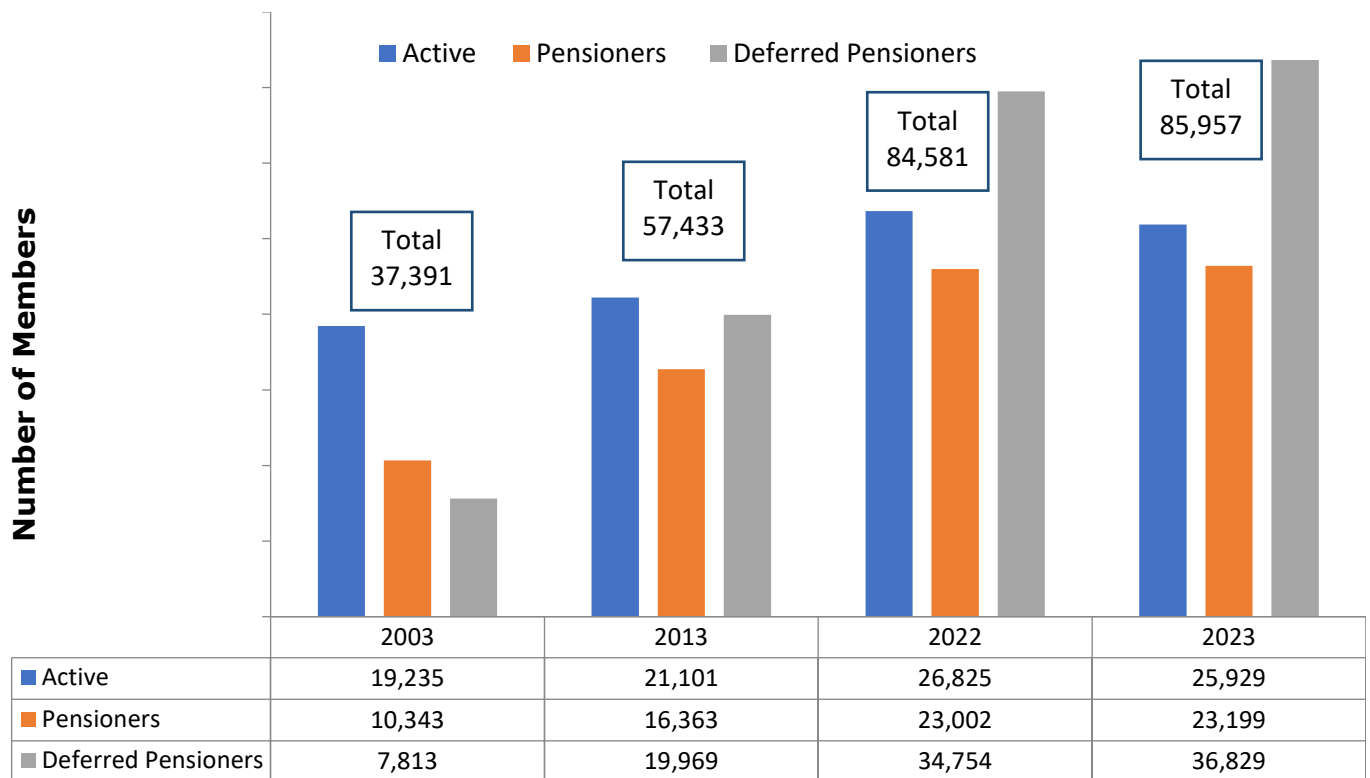
These members are in receipt of a pension from the LGPS, whether based on their own participation in the Scheme or as a beneficiary.

At the 2022 valuation, the average pension in the West Sussex LGPS was £4,884 per annum.

The mix of membership at the 2022 valuation is illustrated below:



Membership has increased by 130% over the past twenty years, as illustrated below.



Scheme Management

The LGPS is a public sector pension scheme, with its rules made, and changed, only with the approval of Parliament.

However, the Scheme is administered locally by pension funds across the country who make decisions about the governance and administration arrangements, how pension contributions are invested, the appointment of advisers and managers and the funding strategy. For the West Sussex LGPS, these responsibilities are delegated to the West Sussex Pensions Committee, who have a collective responsibility to serve the interests of Fund members and employers.

The Pensions Committee are supported by the Pension Advisory Board who help the Pension Fund comply with the LGPS rules, overriding pensions legislation and guidance from the Pensions Regulator.

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

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

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

Information about the managers and advisers to the Fund and Pension Committee and Pension Advisory Board members can be found in [Appendix 1B – Officers and Advisers](#).

The Pension Fund and its Performance

The LGPS is paid for by member and employer contributions, and investment returns.

Members are paid their benefits at the point of retirement based on their pay and length of participation - it is not dependent on the returns achieved on the Fund's assets.

The table below summarises the Pension Fund's accounts for 2021/22 and 2022/23.

Net Assets	2021/22	2022/23
	£'000	£'000
Net assets of the Scheme at the start of the year	5,483,193	5,494,106
<u>Receipts</u>		
Member contributions	32,142	35,088
Employer contributions	111,547	116,646
Transfers in by members from other pension schemes	9,064	12,315
Other	102	11
<u>Investments</u>		
Investment income	58,083	122,868
Decrease on investments	-59,402	-276,938
<u>Payments</u>		
Benefits paid	-120,440	-129,432
Management expenses	-12,801	-20,699
Payment to and on account of leavers	-7,383	-10,041
Net assets of the Scheme at the end of the year	5,494,106	5,343,924

Additional information about the Pension Fund's administration, management and transactions costs, overpayment recovery and contribution receipts can be found in [Appendix 2B – Further Financial Information](#).

NOTE:

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

Investment Assets

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

The strategy invests Fund money in a wide variety of investments and is based on detailed advice from the Fund Actuary, Investment Consultant, and Investment Adviser through the completion of Asset Liability Modelling work.

The current strategic asset allocation is illustrated below.

- Growth assets** are expected to provide returns in line with equity markets. The Pensions Committee have recently invested in one equity fund which does not invest in tobacco, fossil fuels and controversial weapons, or in companies whose conduct indicate corruption or violation of human rights. The other equity fund invested in is managed in line with the objectives of the Paris Agreement and screens out carbon intensive companies that do not, or will not, play a major role in the energy transition.
- Income assets** provide an additional income stream for example from rents on property or interest payments on loans. Whilst property has been part of the portfolio for a long time, the Pensions Committee have recently made their first investment in private debt funds and made their first allocation to a global infrastructure fund, investing £250m in the JPMorgan Infrastructure Investment Fund. Private debt refers to making loans to companies to typically finance company growth, acquisitions, mergers and buy outs. Infrastructure refers to the basic facilities and system serving a country, region, or community and includes transport networks, utilities, and power distribution.
- Protection assets** store value and reduce volatility the of funding levels relative to variations in interest rates and inflation pricing, such as bonds. The Pensions Committee have recently reduced its holdings in government bonds in favour of corporate bonds, reflecting the higher long term anticipated returns.

Growth	Protection	Income
Global Listed Equities, 45%	Global Corporate Bonds, 30%	UK Property, 10%
Global Private Equity, 5%		Global Private Debt, 5%
		Global Infrastructure, 5%

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

Whilst this can have an impact on the overall portfolio return, the Committee believes that it should not take short term decisions. Rebalancing can however be used to avoid any unintentional deviation, although no rebalancing was required during the year.

The table below sets out the asset allocation on 31 March 2023 against the strategy:

	£'000	% Of Fund value	Strategy %
Listed Equities	2,701,753	50.8	45.0
Private Equity	146,714	2.7	5.0
Total Growth Assets	2,848,466	53.5	50.0
Direct Property	490,475	9.2	10.0
Private Debt	199,066	3.7	5.0
Infrastructure	259,276	4.9	5.0
Total Income Assets	948,817	17.8	20.0
Bonds	1,508,459	28.3	30.0
Total Protection Assets	1,508,459	28.3	30.0
Other Investments	26,005	-	-
Total	5,331,748	100.0	100.0

NOTE:

1. The total does not include cash internally managed by WSCC on behalf of the Pension Fund of £7.6m (31 March 2022: £16.4m)
2. Legacy private equity commitments are in run off.
3. Differences in the total are due to roundings.

Investment Performance

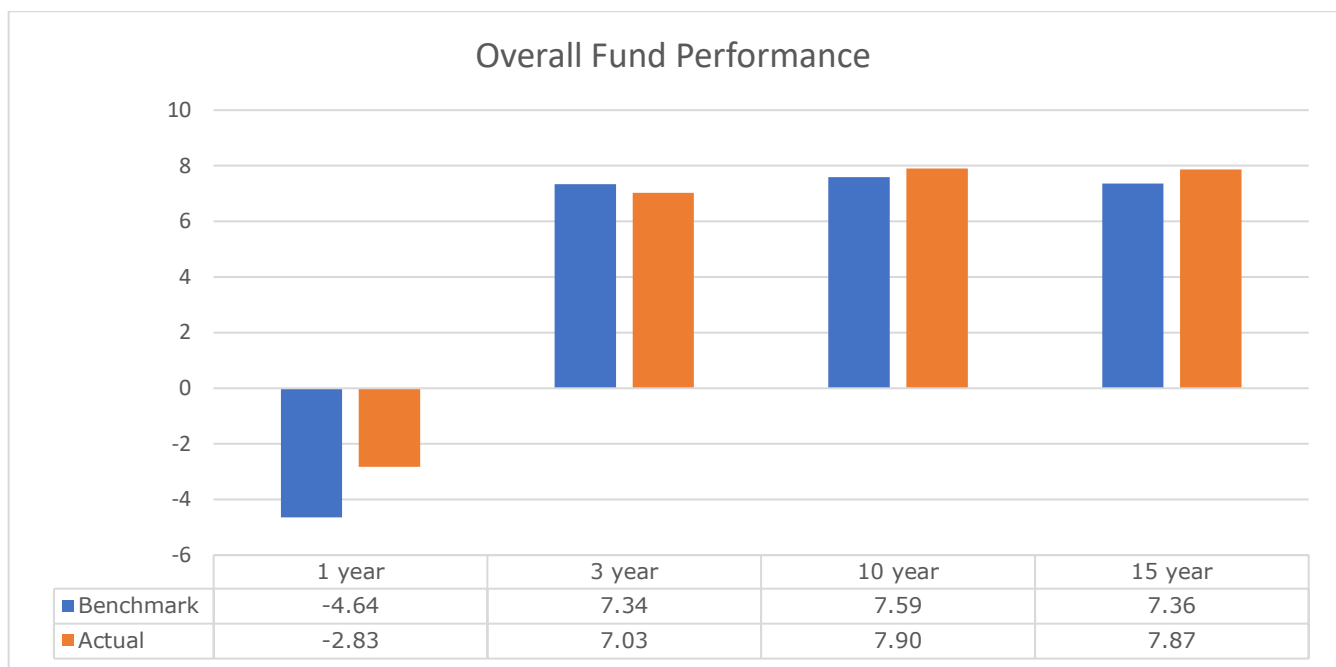
The Fund’s overall performance over the year and longer term is illustrated below.

The market environment over the twelve months to 31 March 2023 has been challenging, with uncertainty continuing to govern the economic outlook.

The continued war in Ukraine prompted shocks in the global energy markets which were exacerbated by supply chains disruptions and lockdowns in China earlier in the year.

Consequently, there has been a surge in inflation, with aggressive interest rate rises by many central banks placing increased pressure on the financial systems.

Whilst markets have been negative during the year, overall the Fund has outperformed its benchmark.



This outperformance is in part because of the Pension Fund having more in equity assets than its strategic asset allocation during a period. Because equity markets overall returned -1.0% at a time when other asset classes, such as bonds or property, were returning -10.3% and -13.0%, holding more than the strategic allocation in these relatively better performing asset classes was beneficial. Outperformance will also be because of individual stock selection decisions by the managers.

Further detail about performance by individual manager can be found in [Appendix 4 – Investment Performance](#) and in the following pages.

Growth assets

The Fund has allocated 45% of its portfolio to listed equities and 5% to private equity to provide portfolio growth and reduce the contribution required from employers.

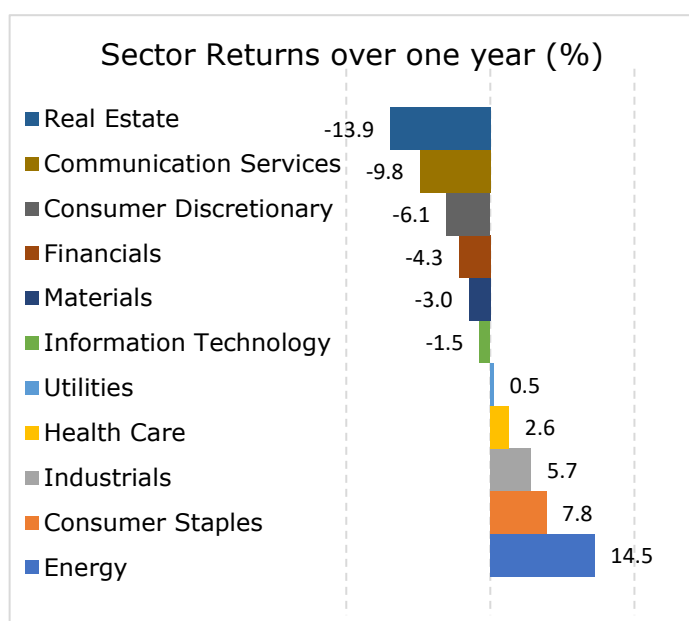
Listed Equities

The Fund's listed equity portfolio is held in two funds. Both equity managers hold high quality companies or those they believe will deliver substantial growth in the future, and exposure to industries, sectors, and countries is the result of where the managers typically find the best companies rather than a market index. This can mean that the performance is quite different to the market.

To put this into context as at the 31 March 2023, the equity funds comprised 125 companies out of approximately 3,000 within the market index and whilst the portfolios had no holdings in the energy sector, which was by far the best performing industry over the year, over 40% of the portfolio was held in companies defined as Consumer Staples which provided a return of 8%. These defensive and high-quality companies shielded the portfolio from some of the market volatility.

The chart below illustrates the market returns for the year by sector alongside table showing the Fund's weightings as at 31 March 2023.

Over the year the equity portfolios invested in by the Fund returned +2.6% against a benchmark of -1.0%.



Sector	Equity Weighting
Real Estate	0%
Communication Services	2%
Consumer Discretionary	16%
Financials	2%
Materials	4%
Information Technology	4%
Utilities	0%
Health Care	19%
Industrials	9%
Consumer Staples	42%
Energy	0%

Private Equity

The private equity portfolio is held by the Fund as a diversifier and an opportunity to provide additional return compared to the listed equity market. This additional return is in part because of its long-term nature.

Within the sector during the year, the initial strong activity - driven by post pandemic rebound - was followed by a significant drop off because of uncertainty and falls in the public markets.

Whilst short term performance figures for private equity should be treated with some caution, over the year the total private equity return was +16.8% against a target of -0.7%.

Income assets

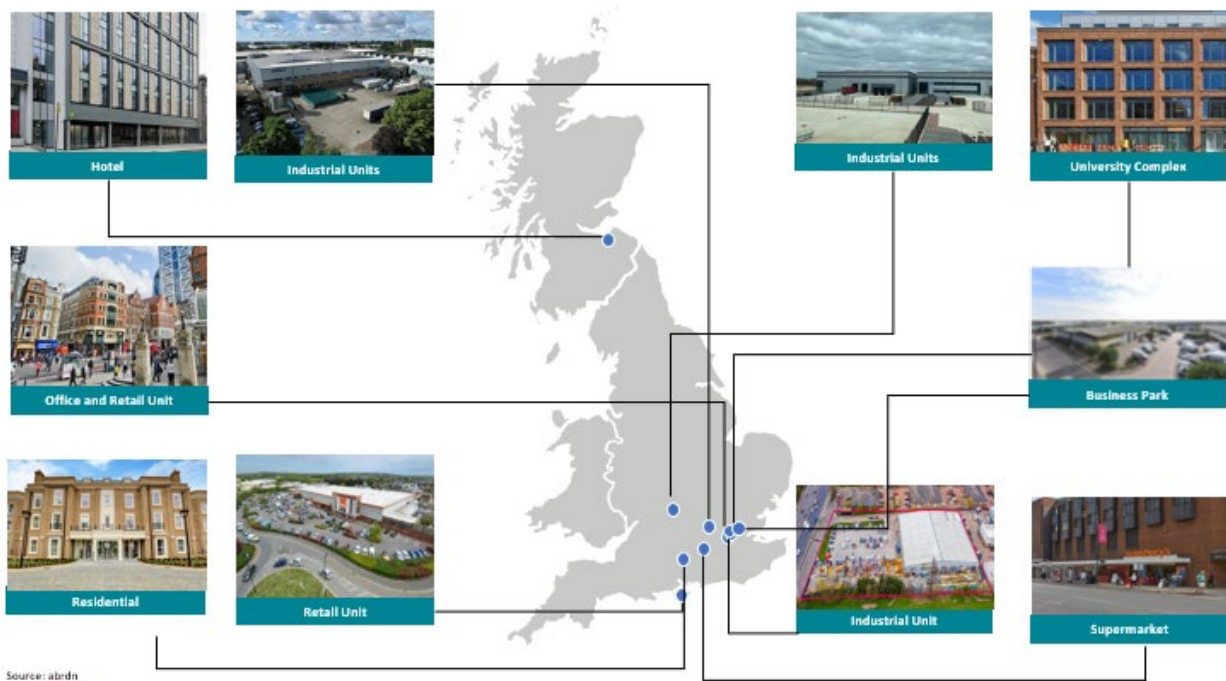
The Pension Fund needs to ensure that there is enough cash in the bank to pay benefits whilst allowing other investments to be held for the longer term is important. To achieve this the Fund invests in asset classes which produce income. The Fund has allocated 10% of its portfolio to property, a 5% allocation to private debt and a 5% to infrastructure investments.

Property

The Fund's long-term strategic aim is to hold a low-risk portfolio to provide the target return over the long term.

The repricing of the commercial property market during the year has impacted overall returns with interest rates rises (and the cost of debt) continuing to affect asset pricing,

The portfolio includes 33 properties across the UK from industrial and retail units, supermarkets, University buildings and a hotel. 47% of the portfolio relates to industrial, which was one of the strongest performing sections. Notwithstanding this, the portfolio returned -13.3% against a market index -13.0% over the last year. The picture below shows the ten largest holdings in the portfolio.



In addition to valuations, income is an important deliverable from the portfolio. The strong rental income (£23.5m for the year) and minimal voids played favorably on performance.

Private Debt

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

During a time of rising capital costs and tightening financial conditions from conventional lenders, demand for private credit providers has increased. As with private equity, short term performance needs to be seen in context but during the year, the portfolios returned 22.6%

against an index of 6.0% with sectors such as healthcare and biotech, technology and software, communication and education business holding up relatively well over the short term.

Infrastructure

The fund invests in an infrastructure fund, which itself holds investments in utilities, transportation and renewable energy. During the year, the infrastructure fund made significant acquisitions to expand its portfolio, including a US utility company with a focus on decarbonisation and a global renewables company. This reflects the fund managers approach to reducing the carbon footprint across the portfolio.

The return for this investment for the year was 5.1% against an index of 8.0%.

Protection Assets

Whilst it is important to reduce the cost of benefits through investment returns, it is also important to protect the strong funding position that has been built up. The Fund has allocated 30% of its portfolio to bonds to act as its 'stabilisers' by reducing year on year volatility and reduce the chances of poorer funding outcomes over the medium / long term.

Bonds

Global bond markets had a volatile year, with corporate bonds outperforming government bonds.

At the end of March, the Bank of England Base Rate reached 4.25%. 12 months earlier it was 0.75%. This rapid tightening of monetary policy in response to inflation created a challenging backdrop for bonds and returns were negative. Recent stresses in the banking sector with the collapse of Silicon Valley Bank and Credit Suisse show the 'risk of something breaking' due to higher interest rates is quite likely and further volatility in bond prices is to be expected. better valuations as they emerge.

While absolute returns for the bond portfolios were negative (-11.5%) net, the fund portfolios marginally outperformed their benchmark index (-11.8%). Portfolio managers had expected UK gilt yields to rise and therefore positioned the portfolio with an underweight relative to the index, contributing positively to relative returns. They had also been more attracted to certain overseas sovereign bonds such as Australia, Peru and South Africa, and each has performed well more recently.

Stewardship

To support the approach to long term stewardship the Fund seeks to integrate Environmental, Social and Governance issues throughout its investment decision-making process, from setting investment strategy to monitoring the Fund's investment managers – taking appropriate advice.

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



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



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



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



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



The Fund's appointed property investment manager measures the property portfolio against the Global Real Estate Sustainability Benchmark (GRESB) assessment process. The portfolio received a 3-star rating (the maximum is five) reflecting the good policies and procedures in place to integrate and manage ESG risks.

The Pension Fund's infrastructure manager (JP Morgan) also participates in GRESB. The portfolio received a 4 star ranking in 2022 (the maximum is five).

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

The Pension Committee also expects each of the fund managers to work with companies to deliver a positive and measurable societal and/or environmental outcome, combined with an appropriate level of financial return. Examples are below:



Global consumer delivery company

Engagement with the company's head of ESG to discuss a broad range of ESG topics including climate strategy, unionisation and employee health and safety.

Ongoing progress to company's climate strategy and enhanced disclosure on health and safety statistics were provided.



Sustainable innovation

Engagement with 35 companies during voting season to understand how these companies are considering sustainability factors in their innovation processes.

All companies engaged to confirm that sustainable innovation was a strategic opportunity and an important area for the companies to increase value and revenue.



Building materials company

Establish engagement priorities as part of the Climate Action 100+.

As part of our collaborative engagement three key priorities were requested from the company to integrate the costs of external and internal carbon initiatives into its accounts, improve disclosure around carbon targets and lobbying and understanding decarbonisation innovation.



Russia / Ukraine

Engagement with management to understand the portfolios exposure towards Russia and or Ukraine by identifying how much revenue, production and procurement the individual portfolio companies could assign to the two countries.

No direct material exposure or significant financial indirect exposure was recorded.



Financial Services company

Discussion of CEO succession after current CEO will step down after 10 years leading the group.

Satisfied that the succession progress is in hand – current CEO will stay on until handover to new CEO is completed.

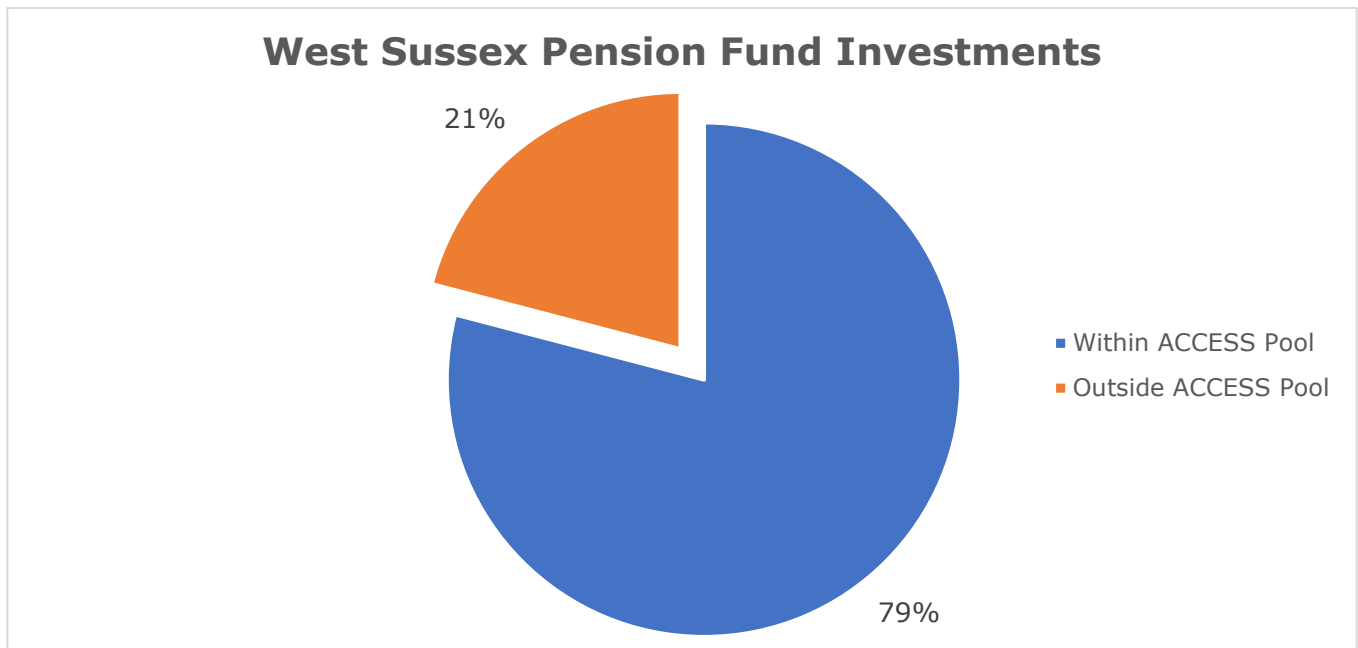
Investment Pooling

In 2016 the Government required LGPS Authorities to work together to achieve benefits of scale, improve governance and decision making, provide excellent value for money and provide improved capacity and capability to invest in infrastructure.

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



To date West Sussex have transitioned all equity and bond investments to funds established by the ACCESS pool. The chart below illustrates the investments made via the ACCESS Pooling arrangements on 31 March 2023.



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

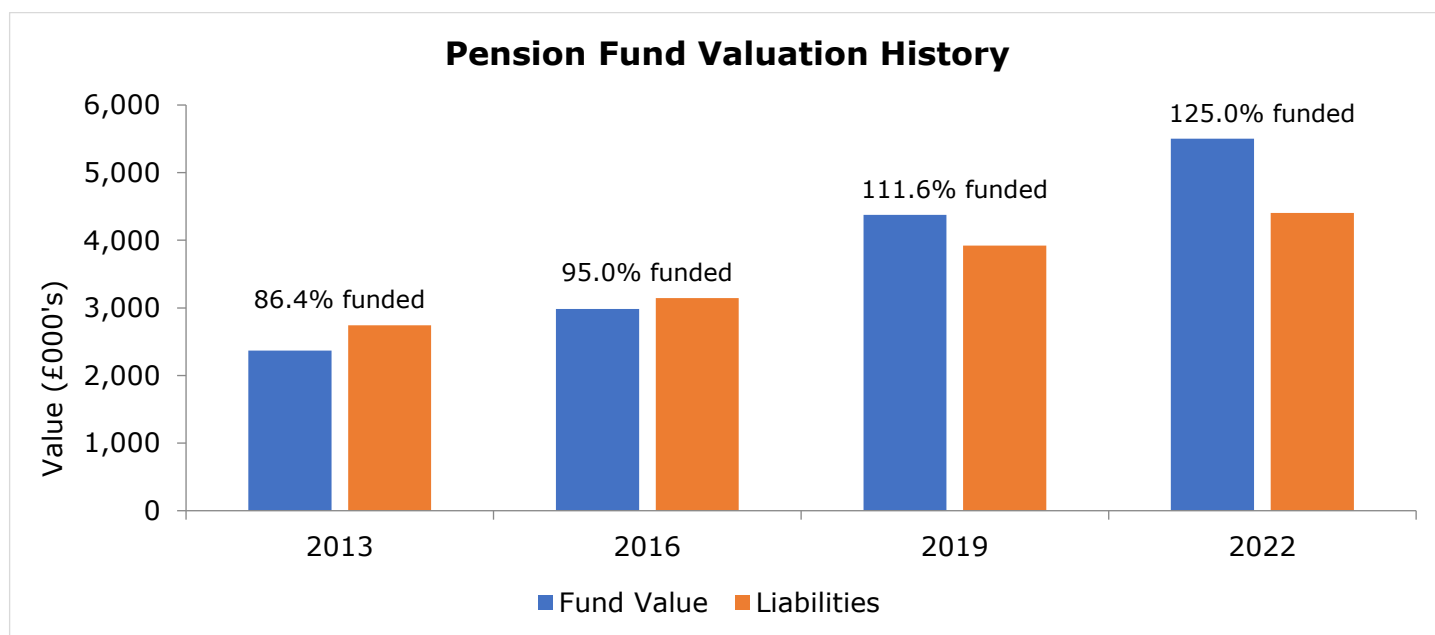
However, the West Sussex Pension Fund intends to retain its existing direct portfolio allocations outside the Pool because the portfolio has been built to its specific target requirements and the required levels of diversification, any movement of these holdings would have significant cost implications, such as Stamp Duty Land Tax (SDLT), and previous cost analysis shows that increasing direct mandate size does not result in incremental costs savings.

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

Funding Position

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

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



Administration Performance

A key objective of the Fund is to deliver a good administration service to all stakeholders with processes and procedures to ensure that good quality information is held, that it receives all income due and makes payments to the right people at the right time.

Hampshire County Council has provided the Pension Administration service for the Fund since 4 March 2019. The equivalent of 27 full time members of staff are assigned to the administration of the Fund, this has increased from 25 in 2021/22. The average number of cases per staff in 2022/23 was 796 and the ratio of staff to fund members is 1 to 3,431.¹

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

- **Number of complaints**

Members and employers are invited to provide feedback about their experiences of dealing with the Fund, to assist with improving the service. The Pension Fund webpages contain the [compliments and complaints process](#). During 2022/23, nine formal complaints were received, compared to ten in 2021/22. There were no trends in the complaints, and they were not considered to identify a consistent failure or poor service. As part of the complaint resolution process, actions to prevent recurrence are considered and put in place if necessary.

- **Number of compliments**

Twenty-six compliments were received in 2022/23. These included comments on customer service and communication.

- **CSE Accreditation**

Re-assessment was completed in January 2023. The administration team continue to meet the required Customer Service Excellence (CSE) standard and continue to meet the required CSE standards across the 57 areas assessed. Key strengths highlighted included putting the customer at the heart of service delivery and ensuring services are easily accessible to all customers through a provision of a range of alternative channels.

- **Use of Technology**

The Fund believe that the effective use of technology and self-service will improve the administration service to members and employers. Over the year just over 6,000 additional members (an increase of 21%) have registered to utilise the Member Portal meaning that 35,042 members can now use the system to receive benefit statements, run estimates and download payslips (where applicable). The number registered on the Employer Portal as of 31 March 2023 is 163, compared to 144 as at 31 March 2022.

- **Performance against Administration Strategy**

The administration team have achieved 100% compliance in the performance indicators as listed in the case type table on the next page. In addition, 99.5% of Annual Benefit Statements and 100% of required Pension Savings Statements were published within the statutory deadline.

¹ Analysis based on 19,895 cases (compared to 19,996 cases in 2021/22 and 18,574 cases in 2020/21). This includes all cases listed in the Administration Strategy analysis plus changes of address, bank details and death grant nominations, refund quotes, general record maintenance and all Payroll related work but excludes bulk processing (such as applying pensions increase, processing annual returns, producing annual benefit statements and providing the valuation data) and the handling of phone calls and emails from members and employers has not been included.

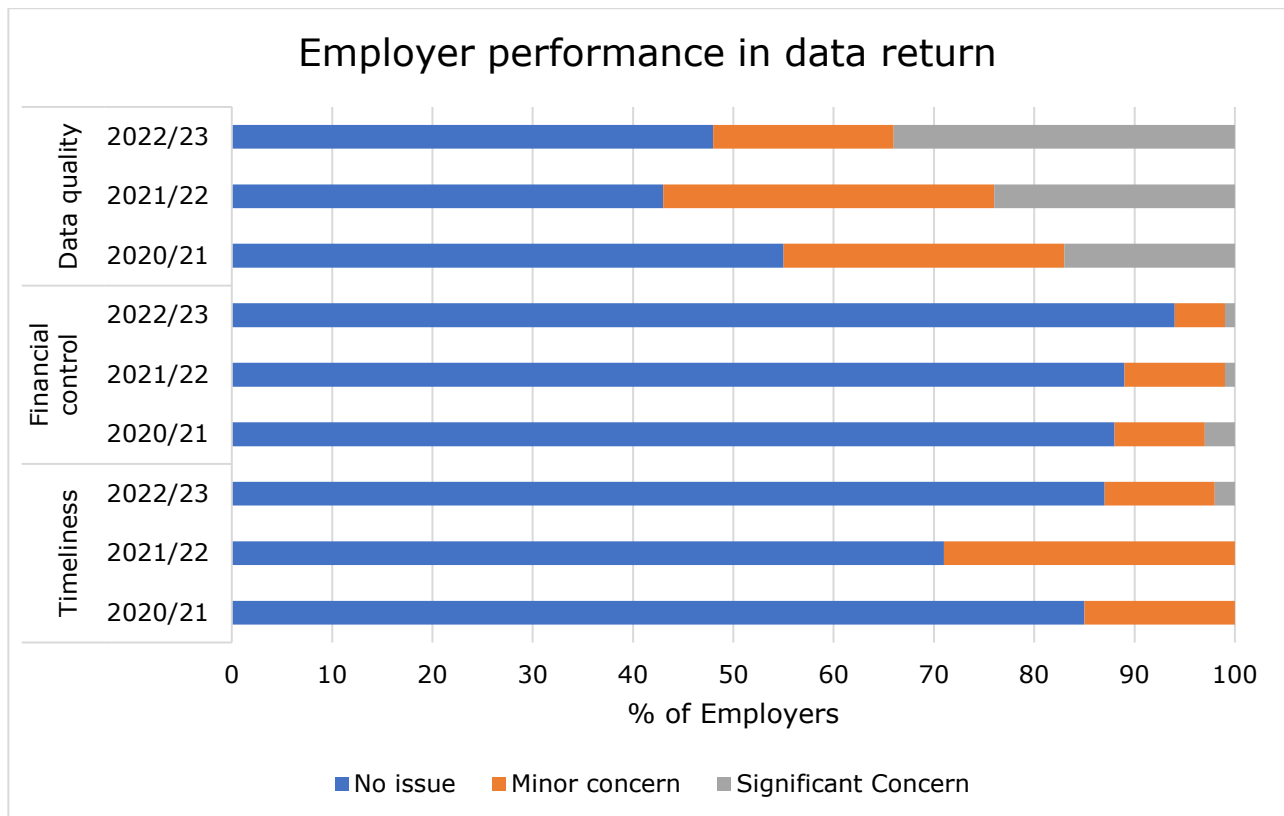
Case Type	No. Cases	Target working days	% On target
Change in Member Details -updating the member records to reflect informed change of details.	175	15	100%
Death Benefits – to acknowledge in writing that we have been notified of the death of a member and include claim forms.	623	5	100%
Death Benefits – notification to beneficiaries and advise of their entitlements including method of calculation.	474	15	100%
Divorce Estimates – to provide estimates/actuals for pension sharing.	144	15	100%
Leaver Forms – notification of benefits and rights to deferred member upon receipt of all necessary information.	3,501	30	100%
Leavers – repay contribution with less than two years membership upon receipt of all necessary information.	546	20	100%
Leavers – payment of individual transfers out upon receipt of all necessary information.	311	15	100%
Leavers – bulk transfers out will be agreed between the Administering Authority, its Actuary the Administrator and the Receiving Scheme.	0	Individual case basis	n/a
New Starters – set up member record once new starter form received.	5,230	20	100%
New Starters – notification to member of transfer in of pension payment and update the members pension record.	267	15	100%
New Starters – bulk transfers the performance level will be agreed between the Administering Authority, its Actuary the Administrator and the Predecessor Scheme.	0	Individual case basis	n/a
Payment of Retirement Benefits once receipt of all necessary paperwork has been received.	1,283 ²	15	100%
Retirement Estimates once accurate pensionable pay detail have been received from an Employer.	337	15	100%

² The figures shown are the number of cases processed during the year. However there were 1,264 actual retirements between 1 April 2022 and 31 March 2023 Of these 28 were ill health early retirements, 35 were as a result of redundancy and 1,201 were voluntary retirements (i.e. a member reaching normal retirement age).

Employer Performance

To ensure the Administering Authority can comply with its statutory regulations, timely and accurate information is necessary from Scheme Employers. As part of the efforts to drive data improvements, the administration team now review Employer Performance for timeliness, financial control and data quality as part of the Annual Return process.

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



Data Quality

Key to the administration of the Scheme is good quality member data to ensure we keep track of each employer’s position, collect the right contributions, invest appropriately and pay benefits to members as and when they fall due.

The Pension Regulator requires that the Fund carries out checks against the presence of “common data” which is necessary for basic pension administration (e.g. surname, National Insurance number, date of birth) and “conditional data” which is specific for the administration of the LGPS (e.g. employment records and history). The results for 2022/23 for the Fund are shown below:

Type of Data	Target	2021/22	2022/23
Common Data	100%	98%	98%
Conditional Data	N/A	92%	93%

Risk and Control

Risk Register

The Pension Fund maintains a risk register to identify key risks, consider and assess the significance, likelihood of occurrence and potential impact of the risk. Where possible, measures are then put in place to reduce the risk. The full risk register is presented to the Pensions Committee at the beginning of each financial year and updates and themes are reviewed by the Committee quarterly. The risk register for the year can be found on the Pension Fund website which shows the risk scores and measures in place to mitigate where possible.

Key areas of risk are highlighted below:

Climate risk has the potential to impact Pension Fund investment returns, inflation and life expectancies.	Cyber-crime resulting in potential service disruption, financial or data loss.	Increase in variety and number of employers participating in the Scheme resulting in the risk of non-compliance with obligations.
The Fund Investment Strategy is not appropriate to meet the Funds liabilities and cash flow requirements.	Insufficient resources to comply with the Administering Authority's Regulatory responsibilities and ability to deliver the business plan.	Poor quality data resulting in error and misstatement.
Officer, Committee and Board knowledge and understanding resulting in poor decision making and disengagement on key issues and loss of professional investor status under MiFID II.	Ability of asset pool to allow participating authorities to execute their locally decided investment strategies.	Failure to secure value for money through managing contracts with third parties.
Political environment (locally or nationally) impact on investment markets and legislative requirements.	Conflict of interest for members and employers.	Fund not able to implement changes as result of McCloud judgement due to insufficient resources or incomplete information held by employers.

Audit

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

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

Title	Scope	Outcome / Opinion
National Fraud Initiative	The Cabinet Office's National Fraud Initiative runs every two years, the most recent one being October 2022. This project provides potential inappropriate payment because of a member being deceased. Of the 258 cases identified four cases required further investigation.	[TBC]
Pensions Payroll and Benefit Calculations 2022/23	To provide assurance that systems and controls ensure that lump sum and on-going payments are calculated correctly, are valid and paid to the correct recipients with all changes to on-going pensions being accurate and timely.	Substantial assurance
Member Deaths 2022/23	To provide assurance that systems and processes ensure that any payments related to deceased members are calculated correctly and paid promptly to the correct recipient, with the risk of overpayments minimised.	Substantial assurance
Pension Transfers 2022/23	To provide assurance that processes and controls to support the accuracy and timeliness of transfers in and out of the schemes managed by the administration team.	Substantial assurance
UPM – Cyber Security	To provide assurance over the Cyber Security arrangements for the Pension Administration (UPM) application.	Reasonable assurance
Treasury Management	To provide assurance that cash flow is adequately planned, with surplus monies invested in line with the Pension Fund's Treasury Management Strategy.	Substantial assurance

Appendices

Appendix 1A – Committee and Board Membership and Attendance

The Pensions Committee and Pension Advisory Board normally meet four times per year. During 2022/23 this was April, July, November 2022 and January 2023.











The Constitution sets out that members of the Pensions Committee are required to acquire and maintain an appropriate level of expertise, knowledge and skills as set out by CIPFA in order to remain members of the Committee. A [Training Strategy](#) (PDF) has been established to support the Pension Committee and Pension Advisory Board members with the necessary skills and knowledge to act effectively in line with their responsibilities.

To support this the Committee and Board have:









- Continued access to the LGPS online Learning Academy (LOLA) which covers all aspects of LGPS. One of the modules is regularly updated with current issues.
- Internal training sessions .
- External training sessions.
- Access to the Pensions Regulator online training.

The following pages summarise the number of meetings attended and the sessions or modules completed by members of the Pensions Committee and Pension Advisory Board.

Pension Committee

Committee Member		Meetings Attended	ACCESS Joint C'ttee	LOLA training	Internal Training	External Training
Jeremy Hunt – Chairman <i>County Councillor</i> <i>Member since 2016</i>		2/4	2/3	1/6	4	2
Stuart Condie <i>County Councillor</i> <i>Member since 2021</i>		4/4		6/6	6	7
Joy Dennis <i>County Councillor</i> <i>Member since 2017</i>		2/4		0/6	6	1
Roger Elkins <i>County Councillor</i> <i>Member since 2018</i>		3/4	1/3	1/6	4	2
Nigel Jupp <i>County Councillor</i> <i>Member since 2017</i>		4/4		0/6	5	1
Mike Kipling <i>Scheduled Bodies Representative</i> <i>Member since 2021</i>		4/4		6/6	6	4
Tim Stretton <i>Member Representative</i> <i>Member since July 2022</i>		3/3		6/6	2	1
John Turley <i>County Councillor</i> <i>Member since 2021</i>		3/4		6/6	3	3
Deborah Urquhart <i>County Councillor</i> <i>Member since 2013</i>		4/4		6/6	4	2
Peter Wilding <i>District Representative</i> <i>Member since April 2022</i>		4/4		0/6	6	4

Pension Advisory Board

Board Member		Meetings Attended	LOLA training	Internal Training	External Training	tPR Toolkit
Peter Scales - Chairman <i>Independent Member since 2015</i>		4/4	6/6	4	0	Complete
Becky Caney <i>Member Representative Member since 2018</i>		4/4	6/6	4	1	Complete
Richard Cohen <i>Employer Representative Member since 2015</i>		4/4	6/6	4	0	Complete
Chris Curry <i>Member Representative Member from September 2022 to February 2023</i>		1/2	0/6	2	0	x
Miranda Kadwell <i>Employer Representative Member since 2018</i>		3/4	6/6	3	3	Complete
Kim Martin <i>Employer Representative Member since 2016</i>		4/4	6/6	4	4	Complete
Christopher Scanes <i>Member Representative Member from 2015 to July 2022</i>		0/1	6/6	2	0	Complete
Tim Stretton <i>Member Representative Member from 2017 to July 2022</i>		1/1	6/6	2	0	Complete
Richard Walton <i>Member Representative Member since September 2022</i>		3/3	6/6	1	0	Complete

Appendix 1B – Officers and Advisers

Officers of the Fund

Scheme Manager (and s151 officer) – Taryn Eves

Scheme Manager - Tony Kershaw



Pension Administration

Responsibility for administration of the Scheme was transferred to Hampshire County Council with effect from 4 March 2019.



Investment Managers

The Pension Fund invests money not required immediately to pay benefits into a portfolio of equities, bonds, property, private equity, private debt and infrastructure via external managers.

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



LGPS Asset Pool

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

Link have been appointed as Operator to the ACCESS ACS Pool which provides the sub-funds available for authorities to invest.



Fund Actuary

Member contribution rates are fixed by Central Government. However the Actuary is required to set employer contribution rates to ensure benefits under the Scheme are properly funded. The County Council has appointed Hymans Robertson as Fund Actuary.



Independent Adviser

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



Internal Auditor

Southern Internal Audit Partnership (SIAP) provides our internal audit service to assist WSCC in ensuring it has appropriate risk management processes, control systems, accounting records and governance arrangements in place.



External Auditor

Ernst & Young have been appointed as external auditors for WSCC to give a view of the financial transactions of the Pension Fund and the amounts and presentation of the fund's assets and liabilities.



Custodian

A global custodian arranges for the safekeeping of the Fund's assets (excluding property, private equity, pooled investments and some cash), settlement of transactions effected by fund managers, timely collection of income and other administrative actions. Northern Trust were appointed by the County Council to provide global custody services and performance measurement service since July 2019.



Legal Adviser

West Sussex County Councils legal services team provide advice for advice covering conveyancing, investment and employer issues.



AVC Provider

All LGPS Funds have an Additional Voluntary Contribution (AVC) arrangement in which employees can invest money deducted directly from pay. This is arranged through an AVC provider, often an insurance company or building society. These schemes provide members with a flexible and tax-efficient way of topping up their retirement benefits. The current provider is Legal and General. Some members retain AVC investments with Standard Life.



Appendix 2A – Statement of Accounts

The draft accounts were published by 31 May 2023, in line with the Statutory deadline.

At its meeting on 1 December 2023, the Regulation, Audit and Accounts Committee received the draft 2022/23 West Sussex Pension Fund Audit Results Report from EY and approved the Pension Fund Statement of Accounts (with a delegation to the Chairman to sign the final Statement of Accounts on behalf of the Committee). The Statement of Accounts reviewed by the Regulation, Audit and Accounts Committee are available on the Pension Fund webpage.

Appendix 2B – Further Financial Information

Ongoing Investment Management Costs

The table below shows the analysis of the investment management costs by type and between assets invested via the Link / ACCESS Asset Pool and those held outside the pooling arrangement for 2022/23. Assets are held outside the pooling arrangement where ACCESS does not have an investment vehicle available for the Fund to implement its investment strategy or it does not represent value for money to transfer the assets.

Category	Asset Pool			Non-Asset Pool			Fund Total £'000s
	Direct £'000s	Indirect £'000s	Total £'000s	Direct £'000s	Indirect £'000s	Total £'000s	
Investment Management Fee	10,534	-	10,534	6,266	3	6,268	16,802
Performance Fees	-	-	-	883	-	883	883
Transaction costs	105	-	105	327	-	327	432
Custody	-	-	-	21	-	21	21
Total	10,638	0	10,638	7,497	3	7,500	18,139

NOTE:

1. There is a difference on the totals due to roundings.

A Code of Transparency covering investment management fees and costs was developed and approved by the national Scheme Advisory Board (SAB) and launched in May 2017. Fund managers to the LGPS are being encouraged to sign up to this Code. Each of the West Sussex Pension Fund managers are signatories to the Code. Further information about the Code can be found on the SAB's website.

Recovery of Overpayments

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

Description	2021/22 £'000	2022/23 £'000
Brought Forward	74	79
Overpayment	30	53
Recovered	-21	-40
Adjustments	-4	-5
Written Off	0	-25
Carry Forward	79	62

Administration and Management Costs

Each Administering Authority is required to provide the Department for Levelling Up, Housing and Communities (DLUHC) with information about its administration and fund management for inclusion in the National Accounts (the SF3 Return) and this information can be used as a benchmark.

This SF3 benchmark comparator is available for the prior year. Therefore the table below compares the Pension Fund's costs per member for 2021/22 against other Local Authorities SF3 Return alongside comparative information for 2020/21 WSPF only for 2021/22. Information for 2022/23 will not be available until Autumn 2023.

Type of cost	2020/21 SF3	2020/21 WSPF	2021/22 SF3	2021/22 WSPF
	£	£	£	£
Administrative, oversight, governance and investment management	274.34	471.97 ³	320.20	151.22 ⁴
Administrative, oversight and governance costs only (excluding investment management)	35.90	26.90	37.89	26.86

³ This figure includes a performance fee which crystallised in 2020/21 following the end of a contract. This payment has since been reduced but the figures have not been adjusted.

⁴ The Investment management fees includes the credit for the reduction of performance fees agreed, as stated in point 3.

Member Contribution Rates

The rates for member contributions are set nationally and is based on pay. The contribution table for 2022/23 and 2023/24 for the Main Scheme is below. The LGPS offers a member the flexibility to pay half their normal contribution rate and build up half their normal pension.

The contribution rates and/or pay bands are reviewed periodically and may change in the future. This is to maintain an average contribution from employees of 6.5% nationally and to ensure the long term costs of the LGPS are managed.

Pay Bands 2022/23 Actual pay for employment	Contribution Rate	Pay Bands 2023/24 Actual pay for employment
Up to £15,000	5.5%	Up to £16,500
£15,001 to £23,600	5.8%	£16,501 to £25,900
£23,601 to £38,300	6.5%	£25,901 to £42,100
£38,301 to £48,500	6.8%	£42,101 to £53,300
£48,501 to £67,900	8.5%	£53,301 to £74,700
£67,901 to £96,200	9.9%	£74,701 to £105,900
£96,201 to £113,400	10.5%	£105,901 to £124,800
£113,401 to £170,100	11.4%	£124,801 to £187,200
More than £165,001	12.5%	£187,201 or more

Appendix 3 – Contributions by Employer

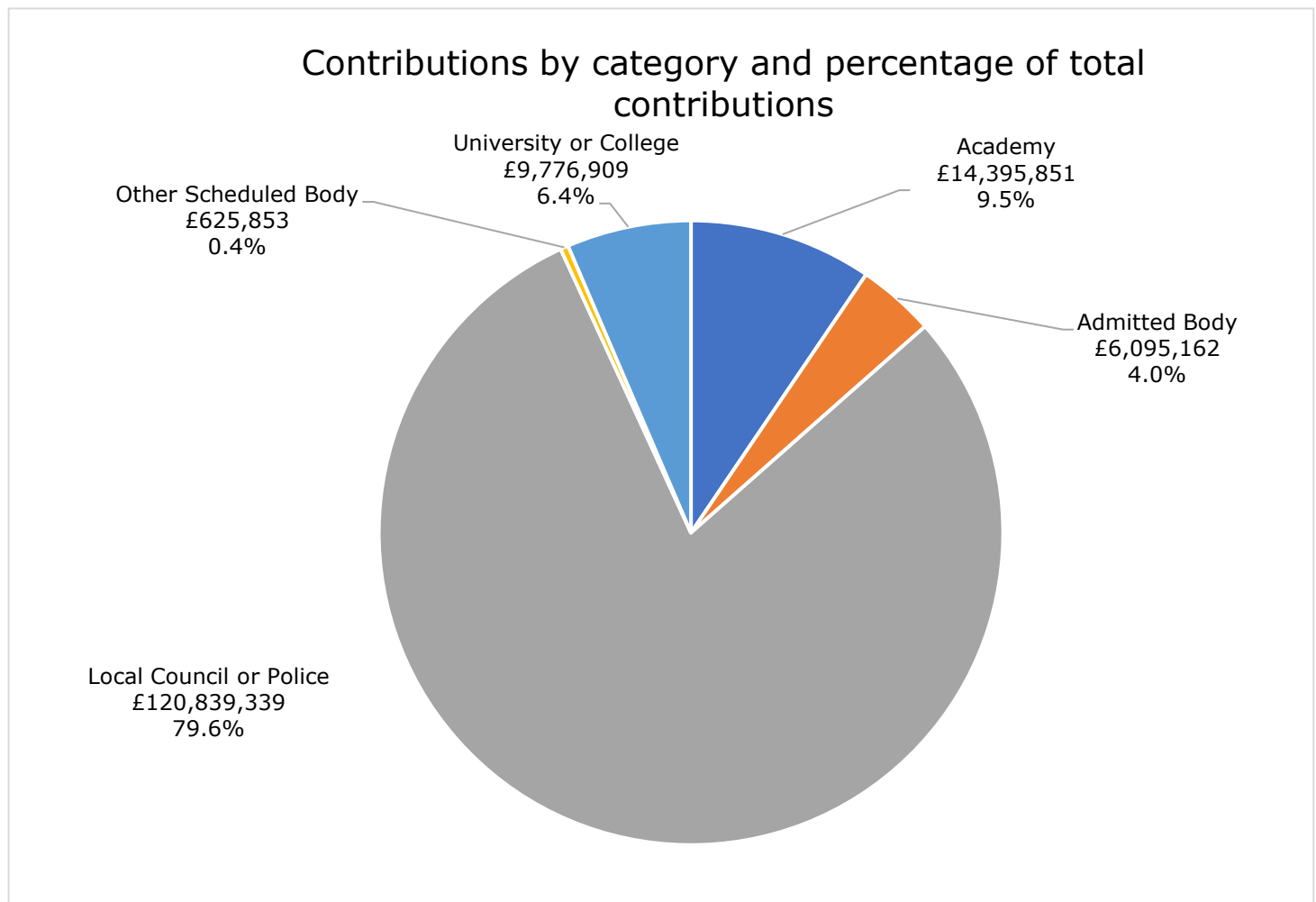
Contribution Receipts

The table below shows some key statistics for contribution receipts for 2022/23. Contributions, which are collected and paid over by employers, must be received by the Fund by the 22nd of the month following the deduction from pay.

Description	2021/22	2022/23
Number of employers paying contributions	212	227
Contributions received – Employer (£000)	111,547	116,645
Contributions received – Employee (£000)	32,142	35,088
Number of Contribution Payments Received	2,476	2,573
Payments received on time	99.2%	94.4%
Interest Charged (£000)	0	8

The number of employers paying contributions in the table above includes a number that either joined or ceased in year. The total number of employers paying contributions at the end of the year is 216.

Contribution receipts are analysed below by employer:



Of the Fund's total 216 active employers, the Fund received contributions from 15 employers in excess of £1m during the year – this equates to 85.9% of the total contributions received (84.9% in 2021/22).

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

Employer	Employer and Employee Contributions £'000	% Of Total Contributions to the Pension Fund
West Sussex County Council	68,273	45.0
Chief Constable Sussex Police	21,478	14.2
Chichester College	5,560	3.7
Adur/Worthing Joint Committee	5,140	3.4
Crawley Borough Council	4,706	3.1
Arun District Council	4,067	2.7
Chichester District Council	4,052	2.7
Mid-Sussex District Council	3,389	2.2
Horsham District Council	3,389	2.2
University of Chichester	2,854	1.9
Worthing Borough Council	1,712	1.1
Saxon Weald Homes	1,525	1.0
Shoreham Port Authority	1,430	0.9
Adur District Council	1,387	0.9
South Downs National Park Authority	1,379	0.9
All other active employers	21,391	14.1
Total	151,733	100.0

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

Scheduled Body	Employee Contributions	Employer Contributions	Total
Adur District Council	100,692	1,286,235	1,386,927
Adur/Worthing Joint Committee	1,424,910	3,715,555	5,140,465
Albourne C of E Primary School	10,559	40,497	51,056
Angmering Parish Council	8,010	25,217	33,227
Ansty and Staplefield Parish Council	1,049	3,710	4,760
Ardingly Parish Council	1,703	6,078	7,781
Arun District Council	763,405	3,303,696	4,067,101
Ashington Parish Council	1,227	4,345	5,572
Ashurst Wood Parish Council	1,854	6,597	8,452
Balcombe Parish Council	1,022	3,561	4,583
Baldwins Hill Primary School	10,557	41,180	51,737
Barnham and Eastergate Parish Council	3,617	11,242	14,859
Barnham Primary Academy	22,555	86,293	108,849
Bersted Parish Council	4,509	14,224	18,733
Billingshurst Parish Council	12,247	39,138	51,385
Bishop Luffa School	77,330	266,552	343,882
Blackthorns Community Primary Academy	12,186	51,655	63,841
Blackwell Primary School	16,660	63,315	79,975
Bognor Regis Town Council	23,815	76,675	100,489
Bohunt School Horsham	27,099	102,792	129,891
Bohunt School Worthing	40,835	144,784	185,619
Bolney Parish Council	632	2,321	2,952
BOSCO Catholic Education Trust	17,029	47,876	64,905
Broadbridge Heath Parish Council	3,137	9,824	12,962
Broadfield Primary Academy	38,111	142,532	180,643
Burgess Hill Town Council	34,247	103,974	138,221
Chichester City Council	14,252	68,748	83,001
Chichester College	1,321,067	4,239,426	5,560,493
Chichester District Council	1,071,007	2,980,500	4,051,507
Chichester Free School	53,602	195,499	249,101
Chichester Harbour Conservancy	60,771	178,208	238,978
Chichester High School	60,665	224,703	285,368

Scheduled Body	Employee Contributions	Employer Contributions	Total
Chief Constable - Sussex Police Authority	99,922	250,182	350,105
Clapham & Patching C of E Primary School	4,480	17,562	22,042
Colgate Parish Council	553	2,031	2,584
Crawley Borough Council	1,225,369	3,480,838	4,706,207
Cuckfield Parish Council	6,606	21,464	28,071
Desmond Anderson Primary Academy	35,242	146,007	181,249
Donnington Parish Council	462	1,698	2,160
Downsbrook Primary School	12,529	51,886	64,415
Downview Primary School	31,756	116,496	148,252
Durrington High School	93,030	336,799	429,829
Earnley Parish Council	487	1,652	2,139
Easebourne Parish Council	675	2,479	3,154
East Grinstead Town Council	36,578	119,006	155,584
East Preston Junior School	12,982	53,403	66,385
East Preston Parish Council	4,742	15,291	20,033
East Wittering & Bracklesham Parish Council	3,852	12,074	15,925
Eastbrook Primary Academy	26,466	103,307	129,773
Edward Bryant School	35,866	148,168	184,034
Felpham Parish Council 2021	3,710	12,355	16,065
Fernhurst Primary School	8,657	35,611	44,268
Ferring Parish Council	1,756	5,458	7,215
Fishbourne Parish Council	841	3,034	3,875
Fittleworth Parish Council	603	2,215	2,818
Forge Wood Primary School	20,216	78,741	98,956
Gossops Green Community Primary	32,765	126,740	159,505
Greater Brighton Metropolitan College	166,926	747,985	914,911
Greenway Academy	19,754	74,752	94,506
Halsford Park Primary School	30,376	108,821	139,197
Harlands Primary School	18,901	73,491	92,392
Hassocks Parish Council	7,265	22,586	29,852
Haywards Heath Town Council	16,247	52,341	68,588
Hazelwick Academy	99,277	348,871	448,148
Henfield Parish Council	3,450	11,734	15,184
Holmbush Primary Academy	15,220	62,831	78,051
Hilltop Primary School	34,679	133,191	167,870

Scheduled Body	Employee Contributions	Employer Contributions	Total
Horsham District Council	935,823	2,452,743	3,388,566
Hunston Parish Council	944	3,286	4,230
Hurstpierpoint & Sayers Common Parish Council	7,915	25,378	33,293
Kilnwood Vale school	17,812	66,853	84,665
Kingsham Primary School	22,230	92,726	114,955
Lancing Parish Council	10,290	31,336	41,626
Lindfield Parish Council	3,740	12,368	16,108
Lindfield Primary Academy	26,672	113,122	139,794
Lindfield Rural Parish Council	1,294	4,508	5,803
Littlegreen Academy	21,572	87,414	108,986
Littlehampton Academy	107,896	386,543	494,440
Littlehampton Harbour Board	15,351	40,175	55,525
Littlehampton Town Council	32,264	102,553	134,818
Medmerry Primary School	10,808	45,260	56,068
Midhurst Rother College	63,930	218,929	282,859
Midhurst Town Council	4,977	16,749	21,726
Mid Sussex District Council	675,577	2,713,813	3,389,390
Milton Mount Primary School	26,565	102,896	129,461
New Horizons Academy Trust	1,144	4,297	5,441
North Horsham Parish Council	15,343	45,209	60,552
North Mundham Parish Council	706	2,394	3,100
Northlands Wood Primary Academy	24,589	95,594	120,183
Orchards Junior School	24,392	92,354	116,746
Ormiston Six Villages Academy	45,264	169,859	215,123
Our Lady Queen of Heaven Catholic Primary School	11,953	45,880	57,833
Pagham Parish Council	1,012	3,523	4,535
Plaistow & Ifold Parish Council	2,303	7,156	9,458
Portfield Primary Academy	22,561	84,694	107,256
Pound Hill Infant Academy	18,135	75,659	93,795
Pulborough Parish Council	5,163	17,568	22,731
Pyecombe Parish Council	238	875	1,113
River Beach Primary School	44,297	183,931	228,228
Rose Green Primary School	18,794	76,709	95,502
Rudgwick Parish Council	2,594	9,229	11,823
Rumboldswyke C of E Infant School	8,370	31,602	39,972
Rustington Community Primary School	29,285	119,986	149,271

Scheduled Body	Employee Contributions	Employer Contributions	Total
Rustington Parish Council	9,238	28,033	37,270
Schoolworks MAT	34,687	85,074	119,761
Seal Primary Academy	15,198	61,728	76,926
Seaside Primary School	28,953	111,921	140,873
Selsey Town Council	12,817	43,114	55,931
Seymour Primary School	29,303	107,066	136,369
Shermanbury Parish Council	524	1,923	2,446
Shipley Parish Council	681	2,501	3,182
Shoreham Academy	115,582	378,510	494,092
Singleton & Charlton Parish Council	574	2,110	2,684
Sir Robert Woodard Academy	78,920	276,586	355,505
Slaugham Parish Council	2,523	7,842	10,365
Slinfold Parish Council	463	1,542	2,005
Sompting Parish Council	0	1,291	1,291
South Downs National Parks Authority	403,233	975,974	1,379,208
Southbourne Parish Council	5,316	17,337	22,653
Southgate Primary	16,246	61,112	77,358
Southwater Junior Academy	27,557	96,082	123,640
Southwater Parish Council	6,882	22,197	29,079
Southway Primary School	36,196	133,395	169,592
Southwater Infants Academy	20,443	79,682	100,125
St Joseph's Catholic Primary School	24,657	98,042	122,699
St Joseph's Infant School	11,973	60,587	72,560
St Joseph's Junior School	10,215	39,869	50,084
St Lawrence C of E Primary School	30,839	126,386	157,225
St Mary's Catholic Primary School	18,733	74,594	93,327
St Nicolas and St Mary C of E Primary	27,793	106,972	134,764
St Paul's Catholic College	71,266	261,178	332,444
St Peter's Catholic Primary School	7,300	27,823	35,123
St Philip Howard Catholic High School	56,973	220,632	277,605
St Wilfrid's C of E Primary	15,278	57,909	73,187
St. Wilfrid's Catholic Primary School	4,017	15,318	19,335
Steyning Grammar School	135,245	495,742	630,987
Steyning Parish Council	5,921	21,685	27,606
Storrington & Sullington Parish Council	4,724	15,286	20,010
Sussex Police & Crime Commissioner	5,174,064	16,303,845	21,477,909
Tangmere Parish Council	1,359	4,892	6,251

Scheduled Body	Employee Contributions	Employer Contributions	Total
Tangmere Primary Academy	12,888	47,868	60,756
The Academy Selsey	24,577	95,059	119,636
The Bewbush Academy	40,724	152,467	193,191
The Burgess Hill Academy	36,539	148,404	184,943
The College of Richard Collyer	100,889	346,820	447,709
The Gatwick School	46,848	162,179	209,027
The Globe Primary Academy	27,968	104,539	132,507
The Laurels Primary School	10,214	35,398	45,612
The March C of E Primary School	10,697	43,109	53,807
The Mill Primary Academy	24,471	91,240	115,710
The Oaks Primary School	24,893	98,499	123,392
The Regis Academy	154,457	537,400	691,857
Thomas Bennett Community College	71,033	244,115	315,148
Turners Hill Parish Council	2,349	7,610	9,959
Twineham Parish Council	267	981	1,248
University of Chichester	736,940	2,116,855	2,853,795
Upper Beeding Parish Council	2,970	9,520	12,489
Warden Park Academy	90,563	324,973	415,536
Warden Park Primary Academy	31,151	121,210	152,361
Warnham Parish Council	1,006	3,236	4,242
Waterfield Primary School Academy	20,706	76,756	97,462
West Chiltington Parish Council	1,391	4,844	6,235
West Grinstead Parish Council	2,038	6,332	8,370
West Hoathly Parish Council	1,261	4,633	5,894
West Itchenor Parish Council	559	2,054	2,614
West Sussex County Council	15,966,460	52,306,048	68,272,508
Westbourne Parish Council	1,364	4,752	6,116
White Meadow School	41,007	158,596	199,602
Whytemead Primary School	11,500	47,166	58,666
Woodard Academies Trust	51,146	112,798	163,944
Worthing Borough Council	24,853	1,687,133	1,711,986
Worthing High School	70,248	210,737	280,985
Total	33,704,076	111,590,335	145,294,411

Admitted Body	Employee Contributions	Employer Contributions	Total
Anti Graffiti System	2,230	7,343	9,573
Aspire Sussex Ltd	16,262	76,294	92,556
Balfour Beatty 2020	21,684	72,272	93,956
CAPITA (SSO)	63,070	251,116	314,186
Care Quality Commission	3,078	0	3,078
Carers Support 2017	1,995	7,137	9,132
Caterlink - Bourne Community College	840	3,636	4,477
Caterlink - Shoreham Academy	732	7,767	3,499
Change Grow Live	4,930	21,753	26,683
Churchill - Billingshurst Primary School	724	2,842	3,566
Churchill - Bishop Tufnell	1,406	7,234	8,640
Churchill - Felpham Community College	2,195	8,666	10,861
Churchill - Fordwater Primary School	1,189	4,668	5,856
Churchill - Lancastrian Infant School	343	1,764	2,107
Churchill - Meads Primary School	561	2,202	2,763
Churchill - St Wilfrid	277	1,013	1,290
Churchill - Steyning Grammar School	2,644	13,603	16,247
Churchill - The Forest	763	3,927	4,690
Churchill - West Sussex CC	167	857	1,024
Churchill - Yapton Primary School	564	2,214	2,777
Churchill - Bersted Green Primary School	44	227	271
Energy Kidz Ltd -Gatwick Free School	1,022	8,394	9,417
Essex Cares Ltd 2017	19,510	86,779	106,289
Fire Service Charity	1,853	6,529	8,383
Freedom Leisure - Arun DC	23,555	183,439	206,995
Grace Eyre Northern	4,292	16,689	20,981
Grace Eyre Western	3,691	19,721	23,411
Homes & Communities Agency	43,097	206,335	249,432
Innovate Services Ltd - St Paul's	324	1,392	1,716
Martlet Homes Ltd	100,577	324,516	425,094
Mears (2020)	6,449	20,934	27,383
Mediasort Ltd	1,186	5,686	6,873
Muntham House School	93,794	293,082	386,875
NSL LTD 2018	3,831	18,210	22,041
Place for People Leisure Mid Sussex	34,459	260,670	295,129

Admitted Body	Employee Contributions	Employer Contributions	Total
PPP Taking Care	15,963	47,061	63,024
Ridge Crest - Littlehampton Academy	1,315	7,792	9,107
Ridge Crest - St Francis of Assisi	705	2,769	3,474
Ridge Crest - Manor Field Primary School	557	2,196	2,753
Royal Society for the Protection of Birds	1,985	8,184	10,169
Saxon Weald Homes	314,302	1,210,951	1,525,253
Schoolplus Ltd	600	3,860	4,460
Shaw Healthcare Ltd	14,964	58,714	73,678
Shoreham Port Authority	369,867	1,060,572	1,430,439
SLM Community Leisure Charitable Trust	31,276	123,853	155,129
SLM Fitness and Health Ltd	7,217	32,645	39,862
SLM Food & Beverage Ltd	1,916	7,961	9,877
South Downs Leisure	61,511	247,504	309,015
The Music Trust	11,596	27,024	38,620
Wates	6,334	20,560	26,893
Worthing Theatres & Museums	50,409	156,847	207,255
XMA	32,375	104,811	137,187
Refund of contributions	-2,466	-11,622	-14,088
Total	1,383,759	5,055,595	6,439,355

Appendix 4 – Investment Performance

The table below shows the long-term performance of the Pension Fund and its underlying investments. All figures are to 31 March 2023.

	12 months	3 years pa	10 years pa	15 years pa
Fund	-2.83 %	7.03 %	7.90 %	7.87 %
Benchmark	-4.64 %	7.34 %	7.59 %	7.36 %
<i>Difference</i>	1.81 %	-0.31 %	0.31 %	0.51 %
Link Baillie Gifford ⁵ Bond and Equity Fund	-8.71 %	3.88 %	8.36 %	8.80 %
Link Benchmark	-5.82 %	6.51 %	7.62 %	7.49 %
<i>Difference</i>	-2.89 %	-2.63 %	0.74 %	1.31 %
Link Macquarie Equity Fund	12.85 %	n/a	n/a	n/a
Link Benchmark	-0.99 %	n/a	n/a	n/a
<i>Difference</i>	13.84 %	n/a	n/a	n/a
Link Fidelity Bond Fund	-9.55 %	n/a	n/a	n/a
Link Benchmark	-10.27 %	n/a	n/a	n/a
<i>Difference</i>	0.72 %	n/a	n/a	n/a
Property Abrdn	-13.25 %	2.01 %	n/a	n/a
Property Benchmark	-12.95 %	2.09 %	n/a	n/a
<i>Difference</i>	-0.30 %	-0.07 %	n/a	n/a
Private Equity (Combined)	16.69 %	22.63 %	16.20 %	21.60 %
Private Equity Benchmark	-0.69 %	16.88 %	11.25 %	10.32 %
<i>Difference</i>	17.38 %	5.75 %	4.95 %	11.28 %
Private Debt (Combined)	22.62 %	n/a	n/a	n/a
Private Debt Benchmark	6.00 %	n/a	n/a	n/a
<i>Difference</i>	16.62 %	n/a	n/a	n/a
Infrastructure JP Morgan	5.08 %	n/a	n/a	n/a
Infrastructure Benchmark	8.00 %	n/a	n/a	n/a
<i>Difference</i>	-2.92 %	n/a	n/a	n/a

⁵ Performance reflects Baillie Gifford performance since 2002 (directly held and within the ACCESS Pool).

Appendix 5 – Audit Assurance

External Audit Certificate to follow

Appendix 6 – Pension Fund Documents (PDF)

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

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

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

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

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

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

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

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

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

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

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

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

Appendix 7 – Contact and Services

Key services provided to pensioners, members and employing bodies:

- Paying out Benefits to Pensioners and beneficiaries
- Paying Death grants to beneficiaries
- Collecting employer and employee contributions from employers
- Maintain members accurate accounts
- Providing Information when requested to Members
- Providing Annual Benefit Statements
- Investing assets of the Pension Fund

Self-service portal

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

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

Key information sources for members

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

Contacting us

Email: pensions@hants.gov.uk

Phone: 01962 845588

Or by writing to:

Hampshire Pensions Services
The Castle
Winchester
Hampshire
SO23 8UB

Ensuring accuracy and confidentiality

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

LGPS Member and Employer site

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

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

Money and Pensions Service & The Pensions Ombudsman

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

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

Phone: 0800 138 7777

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

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

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

Email: enquiries@pensions-ombudsman.org.uk

Phone: 0800 917 4487

Address: 10 South Colonnade
Canary Wharf
E14 4PU