

West Sussex Pension Fund Annual Report 1 April 2021 to 31 March 2022



Foreword by the Chairman of the Pension Committee

Pending

Foreword by the Chairman of the Pension Advisory Board

The Pension Advisory Board was established on 1 April 2015, under the provisions of the LGPS Regulations 2013, to assist the Scheme Manager in ensuring compliance with regulations, the application of guidance and legislation; implementing requirements imposed by the Pensions Regulator; and to help secure 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 become accustomed to holding meetings in a virtual environment, although it is hoped that at least some meetings can be held in person. The business for each meeting has been planned by reference to the business plan agreed for 2021/22 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, data quality, new regulations and guidance, the new pooling arrangements with ACCESS, and knowledge and skills requirements. However, there is some frustration that new initiatives affecting governance have stalled centrally over the past year.

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. In particular, the Board has been monitoring progress on the Hymans Robertson Good Governance Review commissioned by the SAB, which is currently awaiting a response from the Government. Consultations on updated regulations and guidance are now expected to be issued during 2022 which will need to be monitored closely.

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 sessions form part of each Board meeting and the Hymans Robertson Online Learning Academy (LOLA) was introduced in 2021 for Board and Committee members. Progress on training is monitored and discussed at each meeting and reviewed annually in the year-end performance reviews.

The 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) and the Chartered Institute of Public Finance and Accountancy (CIPFA). The requirements imposed by tPR are being met and their proposed new combined 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

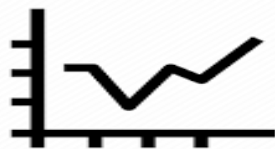
The Local Government Pension Scheme (LGPS) is a valuable part of the pay and reward package for employees. Benefits are set nationally with key benefits set out below:



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 (and adjusted for cost of living at the end of the year).



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). A member could choose to retire early and take a reduced pension (from age 55) or - if a member is made redundant or retired in the interests of business efficiency (after age 55) - they could receive immediate payment of their benefits, with adjustments (provided the member has met the two years vesting period).



The LGPS is funded, which means that contributions received from both members and employers and are invested by the Fund. However, pension benefits are based on membership in the Scheme and are set in statute - they are not dependent on the returns achieved by the Fund on its investments.



The Scheme includes a number of 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 into the Fund 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 by the Fund Actuary every three years. The employer contribution rates range from 0.0% to 60.8% of pensionable pay for the financial year ending 31 March 2022.

Scheme Management

The LGPS is one of the largest public sector pension schemes in the UK. It is a nationwide pension scheme with 5 million members across over 10,000 employers. The LGPS in England and Wales is administered locally through 90 local pension funds. West Sussex County Council (WSSCC) is the Administering Authority with responsibility for managing and administering the West Sussex LGPS on behalf of its stakeholders: the scheme members and employers participating in the Fund. In this context:

- The Director of Finance and Support Services and the Director of Law and Assurance have responsibility for managing the Scheme operationally and advising the County Council in the discharge of the responsibilities of the County Council as Scheme Manager in relation to the Local Government Pension Scheme.
- The Pension Committee has responsibility for the Pension Fund's investment policy and its performance, appointment of advisers and managers, key scheme governance, funding and administration matters and communication with stakeholders. The Committee act as quasi-trustees when receiving advice and taking a position on pension fund matters and the minds of each member of the Committee must be informed and led by the Committee's responsibilities collectively to serve the interests of Fund members and employers.
- The Pension Advisory Board assists the Scheme Manager in matters of governance and administration.

The Pension Fund's full Governance Statement could be found [here](#).

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 membership in the Scheme - it is not dependent on the returns achieved on the Fund's assets.

The table below summarises the Pension Fund's accounts for 2020/21 and 2021/22. Additional information about the Pension Fund's administration, management and transactions costs, overpayment recovery and contribution receipts can be found in Appendix 2.

Net Assets	2020/21 £'000	2021/22 £'000
Net assets of the Scheme at the start of the year	4,301,419	5,483,193
<u>Receipts</u>		
Member contributions	31,134	32,142
Employer contributions	111,955	111,547
Transfers in	8,861	9,064
Other	0	102
<u>Investments</u>		
Investment income	49,135	58,083
Net increase/decrease in investments	1,147,315	-52,806
<u>Payments</u>		
Benefits paid	-118,365	-120,440
Management expenses	-38,138	-12,801
Payment to and on account of leavers	-10,123	-7,383
Net assets of the Scheme at the end of the year	5,483,193	5,500,702

NOTE:

1. Figures subject to audit and consideration by the Regulation and Audit Committee on 22 September 2022.
2. There is a difference on the total due to roundings.

Investment Assets

West Sussex County Council has responsibility for determining and implementing the investment strategy of the Fund to pay benefits and to manage the cost of the Scheme. The Fund has put in place a strategy which includes assets which:



Provide returns in line with equity markets (growth assets)



Provide an additional income stream (income assets)



Store value and reduce volatility the of funding levels relative to variations in interest rates and inflation pricing (protection assets)

The table below summarises the Pension Fund's assets at 31 March 2022.

	£'000	% of Fund value	Strategy %
LF ACCESS Global Alpha Equity Fund (Baillie Gifford)	1,361,086	24.9	25.0
LF ACCESS Global Equity Fund (Macquarie)	1,117,311	20.4	20.0
Pantheon Ventures (Private Equity)	40,228	0.7	-
Partners Group (Private Equity)	93,115	1.7	5.0
Total Growth Assets	2,611,740	47.7	50.0
Abrdn (Direct Property)	594,300	10.9	10.0
Goldman Sachs (Private Debt)	99,337	1.8	2.5
ICG (Private Debt)	43,389	0.8	2.5
JP Morgan (Infrastructure)	249,408	4.6	5.0
Total Income Assets	986,434	18.0	20.0
LF ACCESS Sterling Aggregate Bond Fund (Baillie Gifford)	1,074,914	19.6	15
LF ACCESS Sterling Investment Grade Credit Fund (Fidelity)	801,612	14.6	15
Total Protection Assets	1,876,526	34.3	30.0
Other Investments	2,028	-	-
Total	5,476,729	100.0	100.0

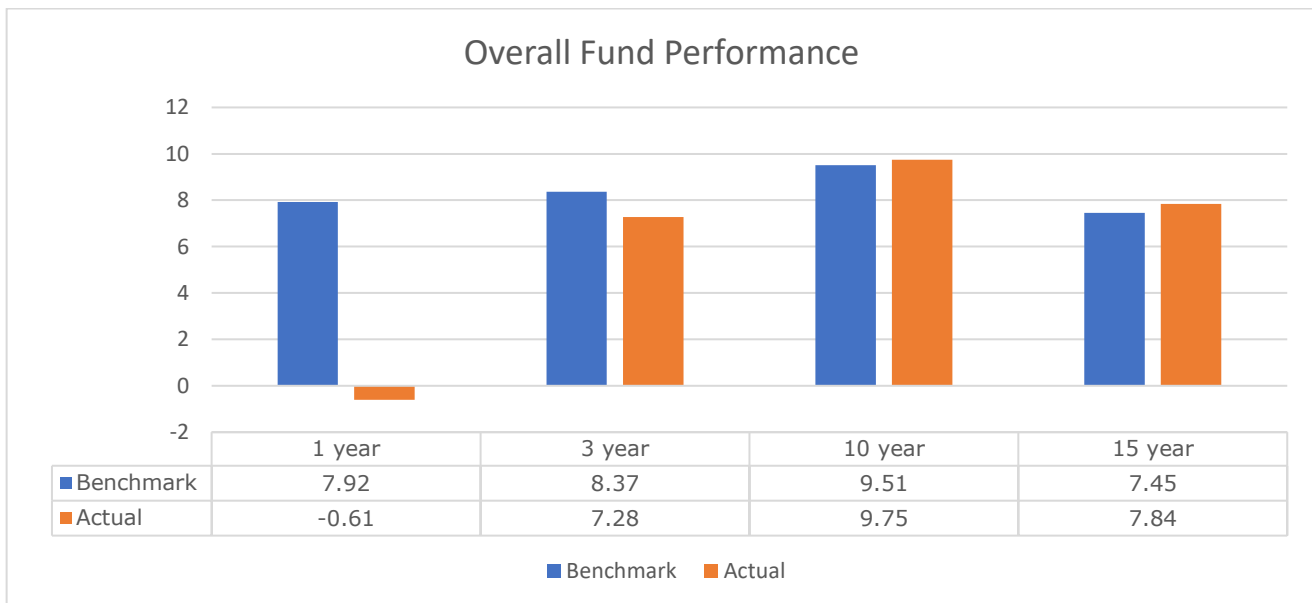
NOTE:

1. Figures subject to audit and consideration by the Regulation and Audit Committee on 22 September 2022.
2. The total does not include cash internally managed by WSCC on behalf of the Pension Fund of £16.4m (31 March 2021: £102.3m).
3. Legacy private equity commitments are in run off.
4. There is a difference on the total due to roundings.

Investment Performance

Investor sentiment was buoyant for large parts of the year, as the Coronavirus vaccine rollout allowed economies around the world to reduce restrictions that had impacted economic activity. But that momentum reversed rapidly as growing fears over rising inflation and then Russia’s invasion of Ukraine saw a move to stocks considered to be ‘undervalued’ (with high dividend yields or low price/book or low price/earnings) and a supply shock to energy markets. Energy prices have risen strongly as a consequence of Russia’s supply role in oil and gas, and many other commodities have risen steeply as well. Ending the year, higher inflation expectations and interest rate rises indicate both the potential for lower economic activity and negative real wage growth, which, in turn, has a potentially negative impact on consumer confidence.

The Fund’s overall performance over the year and longer term is illustrated below. Further detail about performance by individual manager can be found in Appendix 4 – Investment Performance and in the following pages.



The Committee believe that investing the Fund's assets in a manner consistent with long-term sustainable outcomes is a core pillar of its investment strategy and by acting as a responsible investor it will ultimately create long-term value for the Fund and its beneficiaries.

Pension Fund liabilities stretch out for decades to come. The relevant of Environmental, Social and Governance (ESG) considerations are therefore recognised when setting investment objectives, undertaking ongoing monitoring, and assessing future risks. As a result, the Fund seeks to integrate ESG issues throughout its investment decision-making process, from setting investment strategy to monitoring the Fund’s investment managers – taking appropriate advice. To support this:

- The Fund has made investment in several new mandates over the year. As part of the appointment process each manager was required to describe how they make decisions about companies to buy, sell and retain and act as responsible owners.
- 100% of the Fund’s appointed investment managers participate in the Principles for Responsible Investment (PRI) initiative.
- Reflecting the Committee’s support for seeking investment opportunities commensurate with a low-carbon future, early in 2022/23 it will be investing in a fund which includes an

objective to have a weighted average greenhouse gas intensity lower than an index aligned to the Paris Agreement. This therefore strips out companies engaged in fossil fuel exploration, production and service provision to the sector or companies the manager considers are not part of a transition to a low carbon future. This is part of the Committee’s acknowledgement of the importance of considering climate change risk holistically.

- Through changes described above the Fund has reduced the exposure to fossil fuel investments within the portfolio to 0.7%.
- ... but engagement with companies means that the Fund can be an active participant in supporting the transition to a low-carbon environment and encourages the companies in which it invests to transform and adapt to meet the needs of a changing world.

It is recognised by the Committee that active engagement improves practices and builds relationships with company management which can drive corporate conduct on issues that protect and enhance the companies’ long-term value. On behalf of investors the fund’s managers have engaged on environmental, social and governance issues, examples of which are below.

<p>Global commercial real estate company</p> <p>Engagement on climate strategy resulting in the company now being considered a climate leader.</p>	<p>Energy company</p> <p>Engagement to better to understand the role it can play within the energy transition. The company has set ambitious targets, committing to achieve full decarbonisation by 2040. The due diligence supported the view of the businesses long-term sustainability.</p>
<p>Food and Beverage Company</p> <p>Engagement on sustainable innovation to learn how the Board ensures that sustainability and ESG provides value and opportunities, as well as reduces cost – and how it is embedded strategically in the organisation.</p> <p>It is considered that the solutions being developed will benefit the industry as a whole.</p>	<p>Global consultants</p> <p>Engagement on their Russian activity which provided more insights and disclosure on their operation in Russia and how they are assisting their employees in Ukraine.</p>

Growth assets

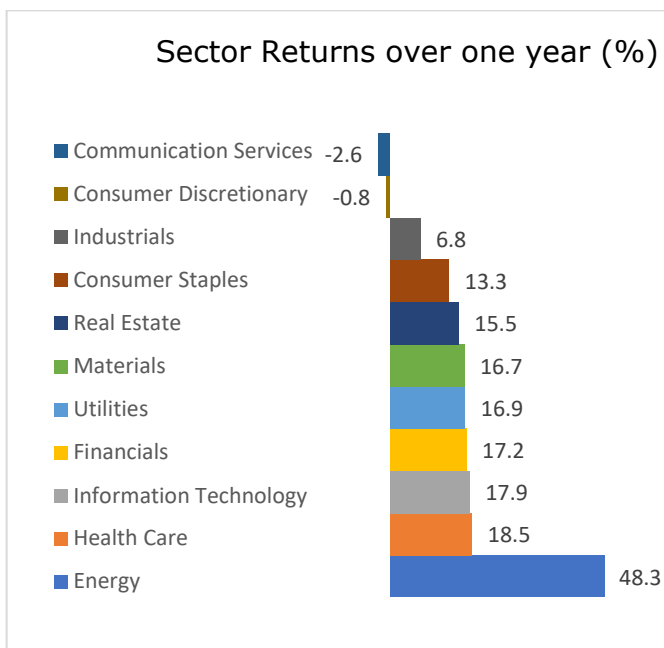
The Fund has allocated 45% of its portfolio to listed equities and 5% to private equity to provide portfolio growth and reduce the contribution required from employers.

Listed Equities

The Fund’s portfolio listed equity portfolio is held in two single manager sub funds within the ACCESS ACS. Both equity managers hold high quality companies or those who are believed will deliver substantial growth in the future.

The portfolio is built stock by stock rather than based on a market index, and exposure to industries, sectors, and countries is the result of where the managers typically find the best companies and as a result there may be periods of below market returns.

For example, the portfolios had a relatively small weighting to the energy sector (0.8% of the equity portfolio) which was by far the best performing industry over the year, with a return of 48.2%. Conversely the fund’s equity portfolio had a high weighting in Consumer Discretionary (15.2%) – a sector which provided a negative return over the year (-0.8%). The chart below illustrate the market returns for the year by sector alongside table showing the Fund’s weightings as at 31 March 2022. Overall, the equity portfolio comprises 133 companies out of nearly 5,000 within the market index.



Sector	Equity Weighting
Communication Services	5.8%
Consumer Discretionary	15.2%
Industrials	8.8%
Consumer Staples	19.0%
Real Estate	1.2%
Materials	7.0%
Utilities	0.0%
Financials	8.5%
Information Technology	13.4%
Health Care	19.3%
Energy	0.8%

Over the course of the year the equities returned -3.26% against a benchmark of 'TBC'.

However reflective of their conviction approach both equity managers typically hold investments for at least half a decade. It is therefore important to look at performance over a five year, or longer, time horizon. Baillie Gifford have been managing money for the fund since December 2002. Over the last five years their equity portfolio has returned 12.7% (gross) versus the market index 10.9%. Over the past decade the portfolio has returned 14.9% (gross) against the market index 12.7%.

Private Equity

Whilst public market volatility and concerns around inflationary pressures has had some impact on the private equity portfolio, it is held by the Fund as a diversifier and an opportunity to provide additional return compared to the listed market – in part because of its long-term nature.

Five percent of the Fund's portfolio is invested in private equity – through an existing mature portfolio and an additional investment made in 2021. Over the year the total private equity return was 28.67% against a target of 19.91%.

The more mature portfolio has benefited from buoyant investment activity, which meant money invested was returned at pace during the year, circa 35% of the value of these portfolios were distributed back over the financial year as the high-quality companies within the portfolios were sold. The companies retained within the portfolio are continuing to experience underlying asset growth.

The Fund's more recent commitment to private equity is still being drawn. The Fund is currently about 50% invested across 27 transactions. It is too early to provide any meaningful performance figures for this portfolio.



Income assets

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

Property

The property portfolio continues to benefit from owning buildings with long term lets to secure tenants. The fund received £23m in rent over the year, with strong rent collection rates over the year. In terms of the underlying portfolio, half of the portfolio (by value) is held in higher performing industrial assets, and this has driven performance. The portfolio returned 20.73% against a market index 19.61%.

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. Although the fund has only invested in private debt since December 2020 it is starting to receive proceeds from successful investment exits. However it is too early to provide any meaningful performance figures for this portfolio.

Infrastructure

In the last quarter the fund invested an infrastructure fund, which itself holds investments in utilities, transportation and renewable energy. It is too early to provide any meaningful information on this portfolio.



Protection

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

Bond yields rose substantially during the past 12 month as inflationary pressures built. Government bond yields have stabilised, but corporate bond yields have continued to rise.

While absolute returns for the bond portfolios were negative (-4.77%) net, the funds outperformed its benchmark index (-5.07%).

The portfolios were positioned for yields to rise, either through holding gilts or as a result of a wider interest rate strategy, so this was beneficial for performance.

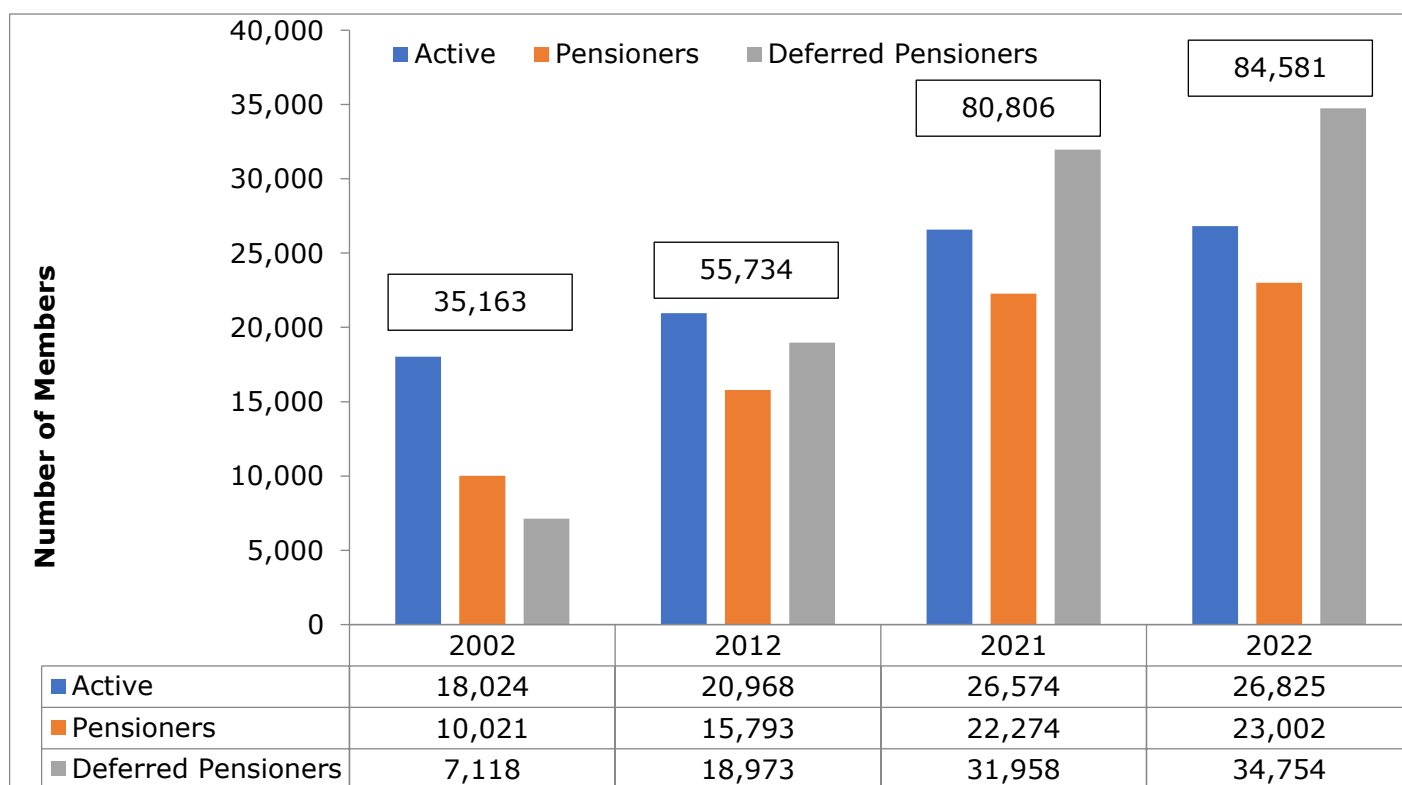
Scheme Participation

West Sussex County Council is required to maintain a pension fund ('the Fund') for its employees and those of other Scheme Employers within its area. West Sussex County Council therefore administers the Fund for its own employees and those of the seven District and Borough Councils and numerous other bodies. In total there were 293 employers and 84,581 members within the West Sussex Scheme at 31 March 2022, analysed below.

Employers

Type	Description	Active	Ceased	Total
Scheduled	This includes local councils, academies and the Police.	162	30	192
Admitted	This includes private sector bodies where a service has been outsourced or where there is a community of interest.	43	57	101
Total		205	87	293

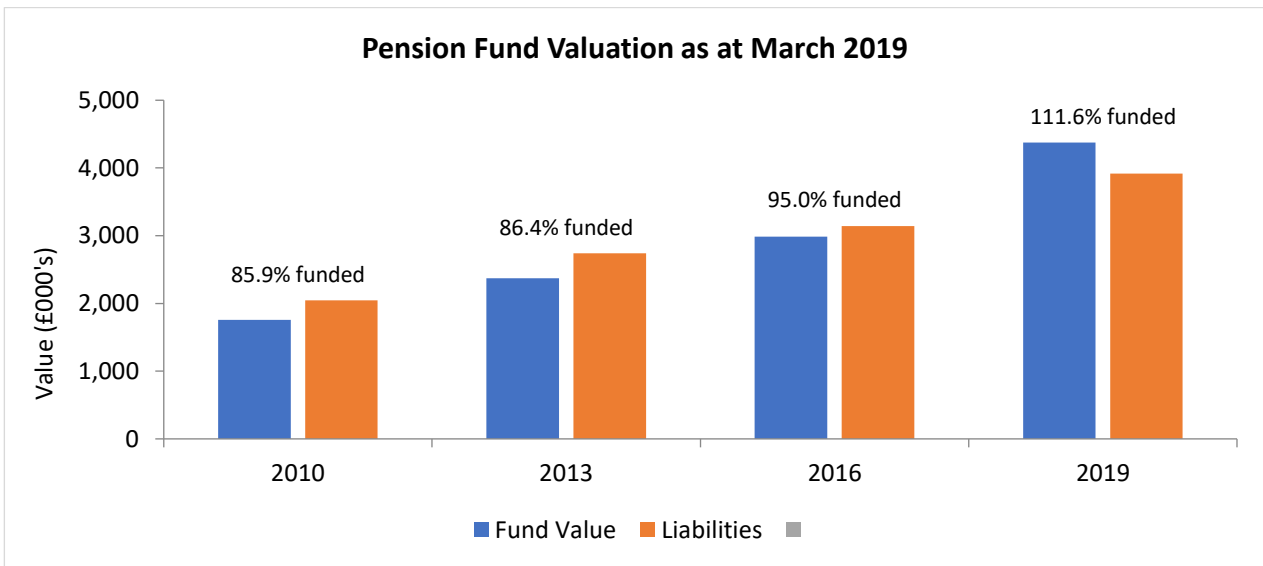
Membership



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.

Whilst work on the triennial valuation for 31 March 2022 is underway, the latest formal valuation information available remains at 31 March 2019 when the Fund's funding level had improved to 112% (31 March 2016: 95%). The strong funding position allowed the Pension Fund to reduce contribution rates for its major employers where appropriate and (on a like for like basis) placed it as the best funded LGPS in England and Wales in analysis carried out by the Government Actuary Department using the Scheme Advisory Board standard basis.



At 31 March 2022 the Fund was estimated to be 119% funded.

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 25 full time members of staff are assigned to the administration of the Fund. The average number of cases per staff in 2021/22 was 800 and the ratio of staff to fund members is 1 to 3,368.¹

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, in order to assist with improving the service. The Pension Fund has a compliments and complaints process which is available on its [website](#). During 2021/22, ten complaints were received, compared to eight in 2020/21. 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.

- **CSE Accreditation**

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 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 under 10,000 additional members have registered to utilise the Member Portal meaning that 28,934 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 2022 is 144, which is 70% of total number of employers.

- **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 19,996 cases, compared to 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 the handling of phone calls and emails from members and employers has not been included.

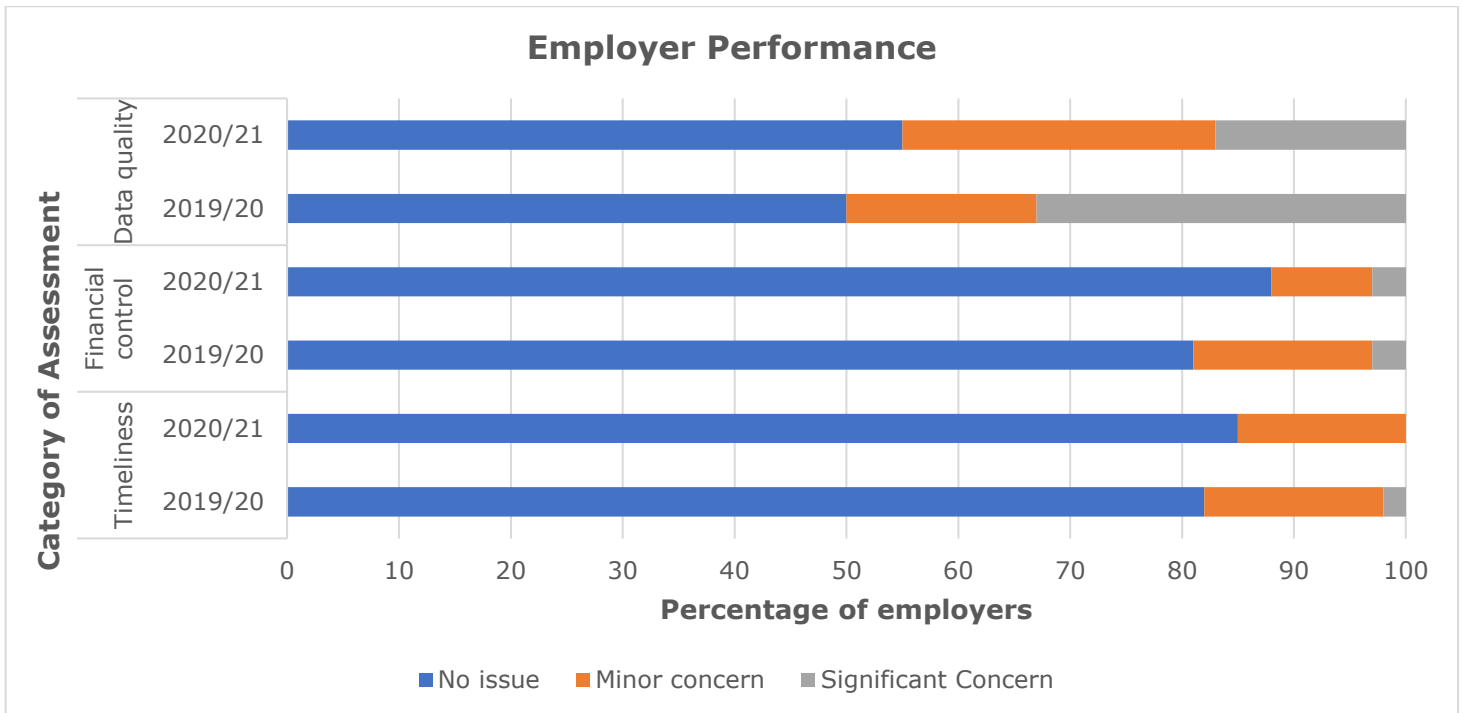
Case Type	No. Cases	Target working days	% on target
Change in Member Details -updating the member records to reflect informed change of details.	1,181	15	100%
Death Benefits -- to acknowledge in writing that we have been notified of the death of a member and include claim forms.	650	5	100%
Death Benefits – notification to beneficiaries and advise of their entitlements including method of calculation.	400	15	100%
Divorce Estimates – to provide estimates/actuals for pension sharing.	170	15	100%
Leaver Forms – notification of benefits and rights to deferred member upon receipt of all necessary information.	3,441	30	100%
Leavers – repay contribution with less than two years membership upon receipt of all necessary information.	488	20	100%
Leavers – payment of individual transfers out upon receipt of all necessary information.	224	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.	5,431	20	100%
New Starters – notification to member of transfer in of pension payment and update the members pension record.	218	10	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.	1,089 ²	10	100%
Retirement Estimates once accurate pensionable pay detail have been received from an Employer.	652	15	100%

² The figures shown are the number of cases processed during the year. However there were 1,035 actual retirements between 1 April 2021 and 31 March 2022 Of these 38 were ill health early retirements, 47 were as a result of redundancy and 950 were voluntary retirements (i.e. a member reaching normal retirement age).

Employer Performance

To ensure the Administering Authority can ensure compliance of 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. This reflects improvements in both the quality and timeliness of data provided by their employers.



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 2021/22 for the Fund are shown below:

Type of Data	Target	2020/21	2021/22
Common Data	100%	95%	98%
Conditional Data	N/A	90%	92%

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.

Key areas of risk are highlighted below:

Political and/or employer pressure results in change to investment strategy due to ESG factors resulting in the fund being required to restrict Fund Manager investments and/or the Fund being challenged on fiduciary duty.

Cyber crime resulting in personal data for members being accessed fraudulently.

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

Insufficient funds to meet liabilities resulting in increased contributions required from employers or changing to a higher risk investment strategy.

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.

Asset pooling impacts on the Fund's ability to implement its investment strategy successfully or the Administering Authority is considered to not comply with the relevant statutory guidance.

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 three audits were undertaken which covered the National Fraud Initiative, externally managed investments and governance and strategy. All audits achieved either reasonable or substantial assurance.

Southern Investment Audit Partnership (SIAP) also provide an annual report on all audits undertaken to the Regulations, Audit and Accounts Committee every July. This report can be found on the County Council's [website](#).

This 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	Comments
National Fraud Initiative	The Cabinet Office's National Fraud Initiative runs every two years, the most recent one being in October 2020. This provides potential inappropriate payment as a result of a member being deceased. The next review date is October 2022.
Pension Starter 2021/22	<p>The scope of this audit is to assess the effectiveness of controls in place to achieve the following key objectives;</p> <p>Starter Notifications are accurately and promptly recorded in the Pension System and Starters receive their initial enrolment documentation within the agreed timescales.</p> <p>Overall a <u>substantial assurance</u> opinion was given. This means a sound system of governance, risk management and controls exists with internal controls operating effectively and being consistently applied.</p>
Pension Leavers 2021/22	<p>The scope of this audit covered whether Leaver notifications are received and are accurately and promptly recorded in the Pensions system and that all Leavers receive the appropriate initial notifications and on-going annual benefit statements within agreed timescales.</p> <p>A <u>substantial assurance</u> opinion was given.</p>
Pensions Payroll & Benefit Calculations 2021/22	<p>This audit covered from when the Pension Administrators are notified of a retirement, the calculation of benefits, the payment of the lump sum and first monthly pension payment through to on-going entitlement and amendments to active pensioner records.</p> <p>A <u>substantial assurance</u> opinion was given.</p>
Treasury Management 2021/22	<p>The scope of this audit covers the controls around Treasury Management procedures and transactions. It also included in the review the current geopolitical issues concerning Russia and the Ukraine in relation to WSCC investments.</p> <p>A <u>substantial assurance</u> opinion was given.</p>

Appendices

Appendix 1A – Committee and Board Membership and Attendance












The Pensions Committee and Pension Advisory Board normally meet four times per year. Due to the timing of local elections, the Pensions Committee met three times during 21/22.

A Training Strategy 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. 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.

To support this

- Access to the LGPS online Learning Academy (LOLA) has been purchased during the year which covers all aspects of LGPS. One of the modules is regularly updated with current issues.
- Internal training sessions are offered to the Committee and Board on topics including an overview of the Scheme and its management arrangements, the Pension Fund's Financial Statements, Fixed Income, Section 13 Actuarial Assessment and Internal Audit.
- External training sessions are offered to the Committee and Board including events hosted by one of the Fund's investment managers (Baillie Gifford), its actuarial advisers (Hymans Robertson), the Local Government Association and PLSA, SPS Conferences and CIPFA.
- The Pension Advisory Board are required to complete the Pensions Regulator online training.

Pension Committee

Committee Member		Meetings Attended	LOLA training	Internal Training	External Training
Jeremy Hunt - <i>Chairman</i> <i>County Councillor</i> <i>Member since 2016</i>		3/3	1/5	2	3
Caroline Baxter <i>County Councillor</i> <i>Member from 01 Jul 21 to 24 Sep 2021</i>		1/1	0/5	1	0
Stuart Condie <i>County Councillor</i> <i>Member since 2021</i>		3/3	5/5	3	2
Joy Dennis <i>County Councillor</i> <i>Member since 2017</i>		3/3	0/5	2	0
Brian Donnelly <i>District Councillor</i> <i>Member from 2015 to Nov 2021</i>		0/2	0/5	0	0
Roger Elkins <i>County Councillor</i> <i>Member since 2018</i>		3/3	1/5	3	0
Nigel Jupp <i>County Councillor</i> <i>Member since 2017</i>		2/3	0/5	3	1
Mike Kipling <i>Scheduled Bodies Rep</i> <i>Member since 2021</i>		3/3	5/5	3	1
Judith Taylor <i>Member Rep</i> <i>Member from 2016 to March 2022</i>		2/3	0/5	0	1
John Turley <i>County Councillor</i> <i>Member from October 2021</i>		2/2	5/5	0	2
Deborah Urquhart <i>County Councillor</i> <i>Member since 2013</i>		3/3	5/5	1	5

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	5/5	3	0	Complete
Becky Caney <i>Member Representative Member since 2018</i>		3/4	1/5	2	0	Complete
Richard Cohen <i>Employer Representative Member since 2015</i>		3/4	5/5	2	0	Complete
Miranda Kadwell <i>Employer Representative Member since 2018</i>		4/4	5/5	3	3	Complete
Kim Martin <i>Employer Representative Member since 2016</i>		4/4	5/5	2	0	Complete
Christopher Scanes <i>Member Representative Member since 2015</i>		3/4	5/5	3	0	Complete
Tim Stretton <i>Member Representative Member since 2017</i>		4/4	5/5	1	0	Complete

Appendix 1B – Officers and Advisers

Officers of the Fund

Scheme Manager (and s151 officer) - Katharine Eberhart

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, which can be found on the Council's [website](#).



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.

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

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, stock lending facilities and performance measurement service from 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 [Pension Fund Accounts](#) will be available on the Pension Fund website following completion of the audit and consideration by the Regulation Audit and Accounts Committee in September 2022.

Appendix 2B – Further Financial Information

NOTE: Figures subject to audit and consideration by the Regulation and Audit Committee on 22 September 2022.

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. 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
	Direct £'000s	Indirect £'000s	Total £'000s	Direct £'000s	Indirect £'000s	Total £'000s	
Costs							
Investment Management Fee	0	7,042	7,042	4,199	4,124	8,323	15,365
Performance Fees	0	0	0	-12,139	3,348	-8,791	-8,791
Transaction costs	0	517	517	0	2,714	2,714	3,231
Operator Fees	0	436	436	0	0	0	436
Depository Fees	0	245	245	0	0	0	245
Custody	0	0	0	42	0	42	42
Total	0	8,240	8,240	-7,898	10,186	2,288	10,528

In 2020/21 £24.3m of performance fees were reported. During 2021/22 it was agreed with Baillie Gifford to reduce these fees to £12.1m. Therefore, the performance fees reported above include an offsetting reduction of £12.2m.

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	2020/21 £'000	2021/22 £'000
Brought Forward	82	74
Overpayment	66	30
Recovered	-40	-21
Adjustments	-2	-4
Written Off	-32	0
Carry Forward	74	79

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 2020/21 against other Local Authorities SF3 Return alongside comparative information for WSPF only for 2020/21.³

Type of cost	2019/20	2019/20	2020/21	2020/21
	SF3	WSPF	SF3	WSPF
	£	£	£	£
Administrative, oversight, governance and investment management	245.41	216.15	274.34	471.97 ⁴
Administrative, oversight and governance costs only (excluding investment management)	35.70	31.15	35.90	26.90

³ The 2020/21 information can be found on the government [website](#)

⁴ 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.

Member Contribution Rates

The rates for member contributions is set nationally and is based on pay. The contribution table for 2021/22 and 2022/23 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 2021/22 Actual pay for employment	Contribution Rate	Pay Bands 2022/23 Actual pay for employment
Up to £14,600	5.5%	Up to £15,000
£14,601 - £22,900	5.8%	£15,001 to £23,600
£22,901 - £37,200	6.5%	£23,601 to £38,300
£37,201 - £47,100	6.8%	£38,301 to £48,500
£47,101 - £65,900	8.5%	£48,501 to £67,900
£65,901 - £93,400	9.9%	£67,901 to £96,200
£93,401 - £110,000	10.5%	£96,201 to £113,400
£110,001 - £165,000	11.4%	£113,401 to £170,100
More than £165,001	12.5%	£170,101 or more

Appendix 3 – Contributions by Employer

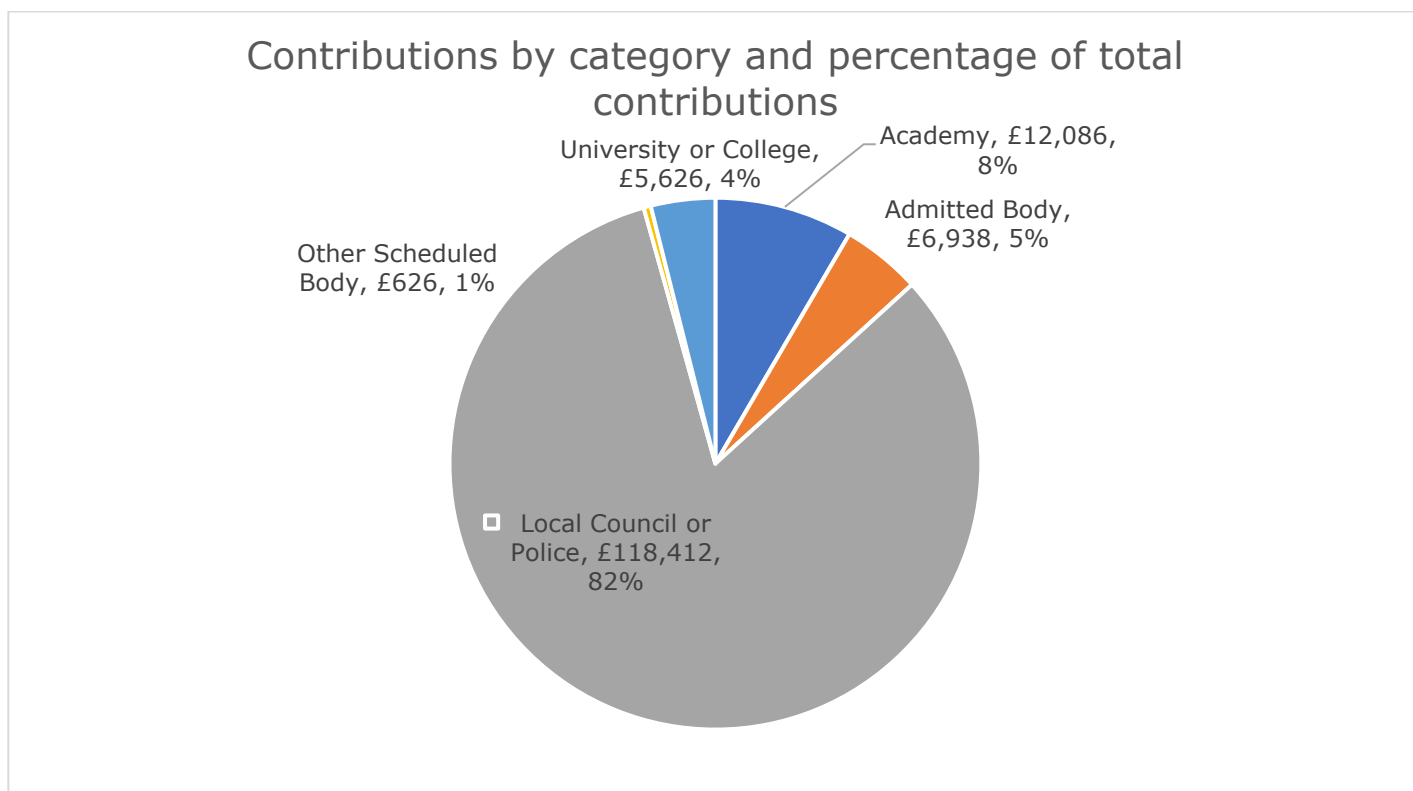
Contribution Receipts

The table below shows some key statistics for contribution receipts for 2021/22. 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	2020/21	2021/22
Number of employers paying contributions	214	212
Contributions received – Employer (£000)	111,956	111,547
Contributions received – Employee (£000)	31,134	32,142
Number of Contribution Payments Received	2,427	2,476
Payments received on time	98.3%	99.2%
Interest Charged	£0	£0

The number of employers paying contributions in the table above includes a number that either joined or ceased in year. The total number of employers paying contributions at the end of the year is 205.

Contribution receipts are analysed below by employer:



Of the Fund's total 205 active employers, the Fund received contributions from 16 employers in excess of £1m during the year – this equates to 84.9% of the total contributions received (87% in 2020/21).

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	63,076	43.9
Chief Constable Sussex Police	21,443	14.9
Adur/Worthing Joint Committee	4,903	3.4
Crawley Borough Council	4,506	3.1
Arun District Council	4,034	2.8
Chichester District Council	3,890	2.7
Chichester College	3,478	2.4
Mid-Sussex District Council	3,443	2.4
Horsham District Council	3,231	2.2
Greater Brighton Metropolitan College	2,634	1.8
University of Chichester	2,569	1.8
Worthing Borough Council	1,765	1.2
Saxon Weald Homes	1,654	1.2
Adur District Council	1,448	1.0
Shoreham Port Authority	1,422	1.0
South Downs National Park	1,353	0.9
All other active employers	18,840	13.1
Total	143,689	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 has been created):

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Adur District Council	102,778	1,344,964	1,447,741
Adur/Worthing Joint Committee	1,301,020	3,601,770	4,902,790
Angmering Parish Council	8,818	27,880	36,698
Ansty/Staplefield Parish Council	1,265	4,351	5,616
Ardingly Parish Council	1,396	4,962	6,358
Arun District Council	737,370	3,296,603	4,033,972
Ashington Parish Council	1,063	3,703	4,766
Ashurst Wood Parish Council	1,655	5,887	7,542
Balcombe Parish Council	1,382	5,691	7,073
Baldwins Hill School	9,677	37,829	47,506
Barnham & Eastergate Parish Council	3,024	10,638	13,662
Barnham Primary Academy	18,056	69,999	88,056
Bersted Parish Council	3,805	12,022	15,827
Bewbush Academy	38,549	146,216	184,765
Billingshurst Parish Council	10,679	36,110	46,788
Bishop Luffa School	70,743	239,327	310,070
Blackthorns Primary School	12,102	54,554	66,657
Blackwell Primary School	16,558	65,621	82,179
Bognor Regis Town Council	21,986	65,611	87,597
Bohunt Horsham	14,466	55,562	70,028
Bohunt Worthing Academy	30,758	111,354	142,112
Bolney Parish Council	632	2,321	2,952
Broadbridge Heath Parish Council	2,533	7,873	10,406
Broadfield Primary Academy	33,735	128,842	162,578
Burgess Hill Academy	25,455	106,116	131,571
Burgess Hill Town Council	29,733	86,298	116,032
Chichester City Council	20,364	59,279	79,643

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Chichester College	915,525	2,562,260	3,477,784
Chichester District Council	1,031,154	2,859,246	3,890,400
Chichester Free School	39,711	148,557	188,268
Chichester Harbour Conservancy	52,961	158,793	211,755
Chichester High School	57,496	208,474	265,970
Chief Constable Sussex Police	4,959,470	16,483,060	21,442,529
Clapham & Patching C of E Primary School	4,018	16,143	20,161
Colgate Parish Council	503	1,847	2,350
Collyers College	92,830	330,391	423,221
Crawley Borough Council	1,133,757	3,372,130	4,505,887
Cuckfield Parish Council	6,346	20,796	27,142
Desmond Anderson Primary Academy	34,268	146,511	180,779
Donnington Parish Council	393	1,444	1,837
Downsbrook Primary School	11,128	45,964	57,092
Downview Primary School	26,700	99,121	125,821
Durrington High School	89,746	328,716	418,462
Earnley Parish Council	491	1,553	2,044
Easebourne Parish Council	649	2,440	3,089
East Grinstead Town Council	31,247	97,649	128,896
East Preston Junior School	10,526	43,535	54,061
East Preston Parish Council	4,309	13,937	18,246
East Wittering & Bracklesham Parish Council	2,325	7,270	9,595
Eastbrook Primary	24,474	96,106	120,581
Edward Bryant School	32,421	134,566	166,988
Felpham Parish Council	1,998	6,362	8,360
Fernhurst Primary School	9,949	40,781	50,730
Ferring Parish Council	1,624	5,047	6,671
Firefighters Charity	1,765	6,218	7,983
Fishbourne Parish Council	737	2,706	3,443
Fittleworth Parish Council	1,321	1,913	3,234
Forge Wood Academy	17,883	73,527	91,410

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Gossops Green Community Primary School	30,450	117,841	148,291
Greater Brighton Metropolitan College	484,848	2,149,186	2,634,035
Greenway Academy	15,398	62,362	77,760
Halsford Park School	27,019	96,454	123,473
Harlands Primary School	16,529	64,926	81,455
Hassocks Parish Council	6,820	20,163	26,983
Haywards Heath Town Council	14,423	47,096	61,520
Hazelwick Academy	91,421	319,349	410,770
Henfield Parish Council	2,335	8,140	10,475
Hilltop Primary School	30,092	115,886	145,978
Holmbush Primary School	14,988	64,710	79,698
Homes & Communities Agency	43,133	209,347	252,480
Horsham District Council	872,760	2,358,507	3,231,266
Hunston Parish Council	866	2,974	3,840
Hurstpierpoint Parish Council	7,237	23,222	30,459
Kilnwood Vale School	13,987	55,730	69,718
Kingsham Primary School	20,936	88,302	109,238
Lancing Parish Council	8,884	28,533	37,417
Lindfield Parish Council	3,104	10,194	13,298
Lindfield Primary School	22,932	101,455	124,387
Lindfield Rural Parish Council	1,319	4,100	5,419
Littlegreen Academy	19,145	77,276	96,422
Littlehampton Academy	97,550	348,470	446,020
Littlehampton Harbour	14,880	39,907	54,786
Littlehampton Town Council	31,036	97,858	128,894
Medmerry Primary School	10,314	43,258	53,572
Midhurst Rother College	57,750	195,175	252,925
Midhurst Town Council	3,695	12,629	16,324
Mid-Sussex District Council	676,286	2,767,206	3,443,492
Mill Primary Academy	24,927	90,778	115,705
Milton Mount Primary School	23,433	95,293	118,726

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Muntham House School	97,005	317,417	414,422
National Southdowns Park	359,768	993,518	1,353,286
New Horizons Multi Academy Trust	1,001	3,917	4,917
North Horsham Parish Council	12,677	39,862	52,538
North Mundham Parish Council	643	2,181	2,825
Northlands Wood Primary School	23,331	83,575	106,905
Oaks Primary School	22,840	93,467	116,308
Orchards Junior School	24,195	90,626	114,820
Ormiston Six Villages Academy	36,846	136,515	173,361
Pagham Parish Council	932	3,246	4,177
Plaistow & Ifold Parish Council	1,693	5,261	6,954
Portfield Primary Academy	19,177	75,060	94,237
Pound Hill Infant Academy	14,989	64,456	79,445
Pulborough Parish Council	4,977	16,994	21,971
Pyecombe Parish Council	210	773	983
River Beach Primary	42,360	174,461	216,821
Rose Green Junior School	17,627	72,121	89,748
Rudgwick Parish Council	2,276	8,099	10,374
Rumboldswyke C of E Infant School	6,177	23,509	29,686
Rustington Academy	27,318	111,747	139,065
Rustington Parish Council	8,874	27,152	36,026
Schoolworks Academy Trust	30,474	85,790	116,265
Seal Primary Academy	15,970	64,206	80,176
Seaside Primary School	27,546	112,283	139,828
Selsey Town Council	11,299	37,962	49,261
Seymour Primary School	24,621	90,934	115,555
Shermanbury Parish Council	493	1,812	2,305
Shingley Parish Council	626	2,300	2,927
Shoreham Academy	100,522	337,558	438,081
Singleton & Charlton Parish Council	578	2,124	2,702
Sir Robert Woodard Academy	67,211	236,815	304,026

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Slaugham Parish Council	2,330	7,241	9,571
Slinfold Parish Council	1,115	3,464	4,579
Sodexo Chichester High School	122	0	122
Sompting Parish Council	178	1,076	1,253
Southgate Primary School	17,357	68,846	86,203
Southwater Infants	17,831	69,567	87,399
Southwater Juniors	19,534	64,121	83,655
Southwater Parish Council	7,715	25,272	32,987
Southway Academy	33,815	123,120	156,936
St. Josephs Catholic Primary School	22,396	90,182	112,577
St. Josephs Infant	7,321	36,323	43,644
St. Joseph's Junior	8,780	33,396	42,176
St. Lawrence Primary	29,554	118,983	148,537
St. Mary's Catholic Primary School	16,317	64,480	80,797
St. Philip Howard Catholic High School	54,091	207,217	261,308
Steyning Parish Council	4,203	15,723	19,926
Steyning Grammar School	126,763	492,864	619,628
Storrington and Sullington Parish Council	4,411	14,484	18,895
Sussex Police & Crime Commissioner	106,685	287,902	394,588
Tangmere Parish Council	1,753	6,408	8,161
Tangmere Primary	12,050	44,989	57,039
The Academy Selsey	18,183	72,992	91,175
The Gatwick School	37,558	129,818	167,375
The Globe Academy	25,888	98,036	123,924
The Laurels Primary School	9,706	34,189	43,895
The March C of E Primary School	9,055	37,072	46,127
The Regis Academy	137,952	478,502	616,454
Thomas Bennett Community College	59,489	207,200	266,689
Turners Hill Parish Council	1,983	6,438	8,420
Twineham Parish Council	218	802	1,020
University of Chichester	660,557	1,908,124	2,568,680

Scheduled Body	Employee Contributions £	Employer Contributions £	Total £
Upper Beeding Parish Council	2,896	9,487	12,383
Warden Park Academy	89,851	296,502	386,352
Warden Park Primary School	29,453	106,160	135,612
Waterfield Primary School	18,191	70,750	88,941
West Chiltington Parish Council	1,291	4,131	5,421
West Grinstead Parish Council	1,812	5,630	7,441
West Hoathly Parish Council	1,033	3,908	4,941
West Itchenor Parish Council	492	1,807	2,299
West Sussex County Council	14,159,221	48,916,905	63,076,126
Westbourne Parish Council	1,229	4,282	5,511
White Meadows Schools	40,863	155,909	196,771
Whytemead Primary	4,885	20,306	25,191
Woodard Academies Trust	34,758	75,552	110,310
Worthing Borough Council	24,792	1,740,088	1,764,881
Worthing High School	67,363	214,108	281,471
Total	30,743,122	106,314,865	137,057,987

Admitted Body	Employee Contributions £	Employer Contributions £	Total £
Anti Graffiti System	2,306	7,591	9,896
Aspire Sussex Ltd	26,606	127,328	153,934
Balfour Beatty 2020	25,007	87,302	112,309
BAM UK Ltd	991	244	1,235
Capita	64,905	234,728	299,634
Capita (SSO)	137,187	546,061	683,247
Care Quality Commission	3,005	0	3,005
Carers Support 2017	2,037	7,515	9,552
Caterlink Bourne Community College	2,000	14,890	16,890
Caterlink Littlehampton Academy	0	1,850	1,850
Caterlink Shoreham Academy	679	2,567	3,246
Churchill Bersted Green Primary School	1,030	6,346	7,377
Churchill Bishop Tufnell	1,628	8,374	10,002
Churchill Bognor Regis Nursery School	132	678	809
Churchill Lancastrian Infant School	330	1,697	2,027
Churchill Northolmes Junior School	42	216	258
Churchill Steyning Grammar School	4,237	21,804	26,041
Churchill West Sussex County Council	1,285	6,612	7,897
Crime Reduction Initiatives/Change Grow Live	4,709	20,692	25,401
Energy Kidz Ltd (Chichester Free School)	1,860	11,171	13,031
Essex Cares Ltd 2017	16,853	77,682	94,535
Freedom Leisure - Arun DC Leisure Facilities	22,056	172,698	194,754
Grace Eyre Northern	4,263	16,577	20,841
Grace Eyre Western	4,808	25,762	30,570
Innovate Services Ltd	1,154	4,950	6,104
Martlet Homes Ltd	103,014	339,462	442,476
Mears Ltd	5,965	18,444	24,409
Medisort	1,058	5,070	6,128
NSL Ltd 2018	3,501	16,644	20,145
Places for People	35,042	261,962	297,004
PPP Taking Care	18,096	58,196	76,292

Admitted Body	Employee Contributions £	Employer Contributions £	Total £
Ridge Crest Cleaning Ltd - Littlehampton Academy	1,503	8,906	10,409
Ridge Crest Cleaning Ltd - Sir Robert Woodard	522	3,372	3,893
Ridge Crest Cleaning Ltd - Manor Field Primary School	625	2,581	3,206
RSPB	1,937	7,984	9,921
Saxon Weald Homes	334,520	1,319,609	1,654,129
Schoolsplus	572	3,681	4,252
Shaw Homes	19,886	80,533	100,419
Shoreham Port Authority	366,993	1,054,515	1,421,508
SLM Community Leisure	28,599	114,299	142,898
SLM Fitness & Health	7,781	32,874	40,655
SLM Food & Beverage	1,942	8,889	10,831
Southdowns Leisure	65,143	259,268	324,411
The Music Trust	11,609	30,052	41,660
Wates	10,887	35,340	46,227
Worthing Theatres & Museums	50,972	164,702	215,675
Total	1,399,274	5,231,720	6,630,994

Appendix 4 – Investment Performance

The table below shows the long-term performance of the Pension Fund and its underlying investments⁵. All figures are to 31 March 2022.

	12 months	3 years pa	10 years pa	15 years pa
Fund	-0.61 %	7.28 %	9.75 %	7.84%
Benchmark	7.92 %	8.37 %	9.51 %	7.45%
<i><u>Difference</u></i>	-8.53 %	-1.09 %	0.25 %	0.39%
Link (Baillie Gifford) ⁶	-6.04 %	7.67 %	11.15 %	9.41%
Link Benchmark	5.88 %	8.58 %	9.82 %	7.73%
<i><u>Difference</u></i>	-11.93 %	-0.91 %	1.33 %	1.68 %
Abrdn	20.73 %	7.19 %	n/a	n/a
Property Benchmark	19.61 %	6.84 %	n/a	n/a
<i><u>Difference</u></i>	1.12 %	0.35 %	n/a	n/a
Private Equity (Combined)	28.67 %	16.48 %	15.91 %	22.13 %
Private Equity Benchmark	14.91 %	14.76 %	13.14 %	10.20 %
<i><u>Difference</u></i>	13.75 %	1.72 %	2.77 %	11.93 %
Private Debt (Combined)	6.01 %	n/a	n/a	n/a
Private Debt Benchmark	6.00 %	n/a	n/a	n/a
<i><u>Difference</u></i>	0.01 %	n/a	n/a	n/a

⁵ Macquarie, Fidelity and JP Morgan investments have not been included as they commenced in year and therefore performance data for the periods shown is not yet available.

⁶ 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

[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.

[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: The Money and Pensions Service

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