



WILTSHIRE PENSION FUND

Report & Accounts
for the year ended 31st March 2015



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1. Chairman's foreword

It is with pleasure that I present this Annual Report of the Wiltshire Pension Fund.

Wiltshire Council, which administers the Fund, is one of the 157 Employer organisations which are members of the Fund. Swindon Council & Wiltshire Council are the two largest employer organisations of the Fund. The Fund has seen a further increase in Member bodies over the last 12 months predominantly from the ongoing formation of Academy Schools which have the right of automatic membership.

The Fund has 21,600 employees currently contributing to it while the number of retired employees receiving regular payments has increased by around 500 to 14,200, the average pension is £4,375. The anticipated trend is still for the reduction of active membership as public bodies restructure in light of reduced funding for the largest employers, although the past couple of years have seen levels stay fairly constant. The cashflow of the fund was again broadly neutral for the year (taking out a one-off bulk transfer event), this is being monitored closely and with the annual 1% contributions rate increases for the largest employers implemented from April 2014 should be maintained for the short term at least. Nevertheless we are extremely conscious of the cost pressures facing employers and their ability to absorb future increases.

The Fund's assets have increased by £207 million to £1,852 million as at 31st March 2015 reflecting positive returns from growth and defensive assets. At the last triennial valuation, (March 2013) the funding level was 71%. Despite the excellent performance of the Fund's assets over this period, it is the continuation of historically low bond yields that increases the size of the liabilities leading to the decline in funding level. This is because bond yields are used by the Fund's actuary to discount the future liability cashflows to reflect the time value of money. The smaller this number, the higher the projected future cashflows to be paid out, meaning greater investment returns need to be generated by the Fund over the long term.

Experience since the last valuation has been broadly as expected. Bonds yields have fallen further offsetting asset returns. Since the triennial valuation our interim monitoring reports now shows that the funding level is nearer 74% as at 31 March 2015.

Growth assets performed well over the year, the annual return for the Fund was 13.8%; 2.1% ahead of its consolidated benchmark of 11.8%. Wiltshire Pension Fund did achieve 26 percentile out of 89 Local Authority Funds within the World Markets (WM) Company Local Authority League tables where the average return of the WM Universe was 13.2% (gross of fees). The Committee continues to monitor investment manager performance and a high level Investment Strategy review is due to take place July 2015.

During the year up to March 2015 there were a number of changes of membership to the Pension Fund Committee. Councillor Des Moffatt was replaced by Councillor Steve Allsopp, Tim Jackson was replaced by Diane Hall (Admitted Body representative) and Lynda Croft was replaced by Linda Stuart (Education Scheduled Body representative). We would like to thank them all for their contribution over the years and wish them well for the future.

The Committee is also responsible for the administrative performance of the Fund which is administered by key officers, namely Michael Hudson (Treasurer to the Pension Fund), David Anthony (Head of Pensions) and Catherine Dix (Strategic Pension Manager) following the requirements set out in the Local Government Pension Scheme (LGPS) Scheme Regulations and the principles laid down by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Fund is also regularly audited by both the South West Audit Partnership (internal audit) and KPMG (external audit) while performance is analysed by CIPFA through their benchmarking club. These processes reflect the primary need for a high standard of management and good governance arrangements to be a better performing fund, and these reports demonstrate this is currently being achieved.

The Local Government Pension Scheme (LGPS) has been and remains in a period of uncertainty over further potential nationally imposed changes. A new scheme was implemented in 2014, but concerns remain over the long term cost and sustainability of the LGPS while the Government remain focussed on addressing pension fund deficits and reducing the costs of running the scheme.

The Fund continues to face increasing complexities in both the governance and administration of the scheme, which will increase pressure on resources and workloads. The Fund's administration consists of 24 staff members. The Fund has experienced some staff turnover during the year and is currently recruiting to replace them to maintain levels of expertise and resources.

From the 1 April 2015, a new national Scheme Advisory Board will provide an oversight of all LGPS funds on behalf of the Department of Communities and Local Government (DCLG) while we are required by legislation to establish a Local Pension Board to give stakeholders a greater voice and to assist the Wiltshire Pension Fund in securing compliance with the Regulations. All LGPS funds also fall under the jurisdiction of the Pension Regulator which requires the Wiltshire Pension Fund to adhere to its new code of practice for Public Sector Pension Schemes.

In addition, other issues being faced include changes requirements for record keeping and data cleansing, changes to tax relief allowances, changes in the provision of data from HMRC, a continued increase in numbers of employer organisations (from out-sourcing and academies conversions) along with their associated risks, trying to address the maturing cashflow profile, the continued low bond yields putting further pressure on contribution rates, and increasing expectations from stakeholders (e.g. scheme member access to information).

All this means the Fund continues to face challenging times and we have been aligning resources to ensure we are flexible and responsive enough to adapt to all these changes.



Tony Deane, Chairman

On behalf of the Wiltshire Pension Fund Committee

2nd July 2015

2. Fund overview

Legal framework

The Local Government Pension Scheme (LGPS) is governed by the Superannuation Act 1972. The current scheme rules are contained within the LGPS Regulations 2013, the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 and the LGPS (Amendment) Regulations 2015. The Regulations are fixed on a national basis, however the Scheme is administered by 89 designated Administering Authorities throughout England and Wales.

Wiltshire Council is responsible for administering Wiltshire Pension Fund for the benefits of employees of Wiltshire Council and the employees of scheme employers and admissions bodies. A list of participating scheme employers is shown on page 14.

The LGPS is currently a contracted out scheme and this enables most scheme members to benefit from paying a lower rate of National Insurance Contribution, until April 2016.

The LGPS is granted "exempt approval" status by HM Revenue and Customs (HMRC) for the purposes of Income and Corporation Taxes Act 1988. The LGPS is also classified as a Registered Pension Scheme under Part 4 of Chapter 2 of the Finance Act 2004.

The Regulations specify the type and amounts of pension and other benefits payable in respect of Scheme members, and also specifies the member contribution rates payable. Members have the freedom to opt out of the Scheme and make alternative arrangement. Scheme members currently pay a contribution rate of 5.5% to 12.5%, based on their actual pensionable pay.

Employer contribution rates are set by the Fund's Actuary every 3 years following a valuation of the Fund, this ensures the solvency of the Fund. New rates were set by the Actuary from 1 April 2014 following the 2013 Actuarial Valuation, a recommended common employers rate of 31% of pensionable pay was set with individual employer rates being adjusted depending upon circumstances specific to that employer.

Scheme benefits

The Local Government Pension Scheme (LGPS) provides the following benefits for its members:

- An inflation protected pension with the option to convert part of the pension to a lump sum payment (subject to HMRC limits). Since April 2014 benefits are accrued on a Career Average Revalued Earnings basis;
- Early payment of pension benefits due to ill-health;
- Early payment of pension if aged 55 or over if:
 - Made redundant;
 - Retired through business efficiency;
 - Taken flexible retirement;

- A lump sum death grant payable to the nominated beneficiary or the most appropriate recipient deemed by Wiltshire Pension Fund, plus an inflation protected dependant's pension if death occurs before retirement;
- An inflation protected dependant's pension for death after retirement and a guaranteed lump sum death grant if death occurs with 10 years of retirement (depending on eligibility).

For leavers not entitled to the immediate payment of benefits.

- An inflation protected deferred pension to be paid at normal retirement age or at any time before age 75; or
- An opportunity to transfer to another pension scheme provider; or
- A refund (depending on eligibility criteria but generally if scheme membership is less than 2 years).

The ability to increase personal benefits is available as follows:

- Purchase of extra pension by means of Additional Voluntary Contributions (AVC's) through the Fund's approved AVC provider;
- Purchase of additional pension through Additional Pension Contributions (APC's) arrangements

Statistics

Financial Summary

	2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000
Contributions and Benefits					
Contributions receivable	86,210	87,770	77,083	79,128	85,529
Employers Additional Capital Contributions	0	0	0	0	0
Individual transfers	9,145	5,662	4,551	2,902	1,785
	95,355	93,432	81,634	82,030	87,314
Benefits payable	-61,418	-65,687	-68,351	-76,669	-74,067
Payments to and on account of leavers	-6,889	-4,039	-4,156	-4,789	-31,249
	-68,307	-69,726	-72,507	-81,458	-105,316
Management Expenses	-5,392	-6,684	-4,911	-4,679	-7,112
	21,656	17,022	4,216	-4,107	-25,114
Returns on Investments					
Investment Income	27,691	31,095	24,774	18,377	21,443
Change in market value of investments	70,903	9,884	120,124	136,981	211,110
Net returns on investments	98,594	40,979	144,898	155,358	232,553
Net increase in the fund during the year	120,250	58,001	149,114	151,251	207,439

Membership Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
Contributors	19,456	19,329	20,193	21,655	21,606
Pensioners and Dependants	11,343	12,227	12,879	13,729	14,200
Deferred Pensioners	17,883	19,701	21,178	22,262	23,789

Income (i.e. contributions from employers and employees together with dividends and interest earned by investments, but excluding profits on sales of investments) has consistency exceeded expenditure. Payments on account of leavers did increase this year, this was as a result of a bulk transfer out of Probation Staff. This was funded by a transfer of assets to Greater Manchester Pension Fund. During 2014/15 cashflow (excluding investment income) was broadly neutral; this continues to be monitored closely.

Administration Management Performance

Wiltshire Pension Fund (WPF) has been a member of the CIPFA Pensions Administration benchmarking club since 2010 principally to gain a better understanding of how WPF's service compares to those of its peers.

The club compares the Fund against the other 49 LGPS authorities within the club. It is however important to remember this survey merely reviews costs and processes but does not test or have a measure for 'quality' of service.

The 2014 CIPFA Pension Administration benchmarking club report, issued in August 2014, compares the performance of WPF in 2013/14 with 49 local authorities who administer the Local Government Pension Scheme. The key benchmark for Pension Administration is the cost of administering the LGPS per member and the Fund's cost for 2013/14 was £20.86 (2012/13: £21.54) compared to the average of £20.75 (2012/13: £21.42).

The table below provides an analysis from the CIPFA benchmarking report of the Funds cost per member compared with the average cost for the authorities in the benchmarking club.

Cost per member 2013/2014	Wiltshire Pension Fund £	Average £
Staff	7.74	8.87
Payroll	2.59	1.97
Direct costs e.g. communication and actuarial fees	5.28	4.28
Overheads e.g. IT, accommodation, central charges	5.55	5.90
Income	-0.30	-0.27
Net cost per member	20.86	20.75

Scheme membership

The membership of the scheme at the beginning and end of the year and changes during the year are set out below:

	2014/15	2013/14
Active Members		
Active membership at start of year	21,655	20,193
New Entrants	3,951	3,676
Linked deferred members	0	0
Unfrozen actives	0	0
<i>Leavers and exits during the year:</i>		
Retirements	-374	-518
Death	-13	-15
Deferred members	-1,955	-1,166
Refunds / Transfer outs / opt outs	-224	-30
Frozen	0	-1
Other	-1,434	-484
Active membership at end of year	21,606	21,655

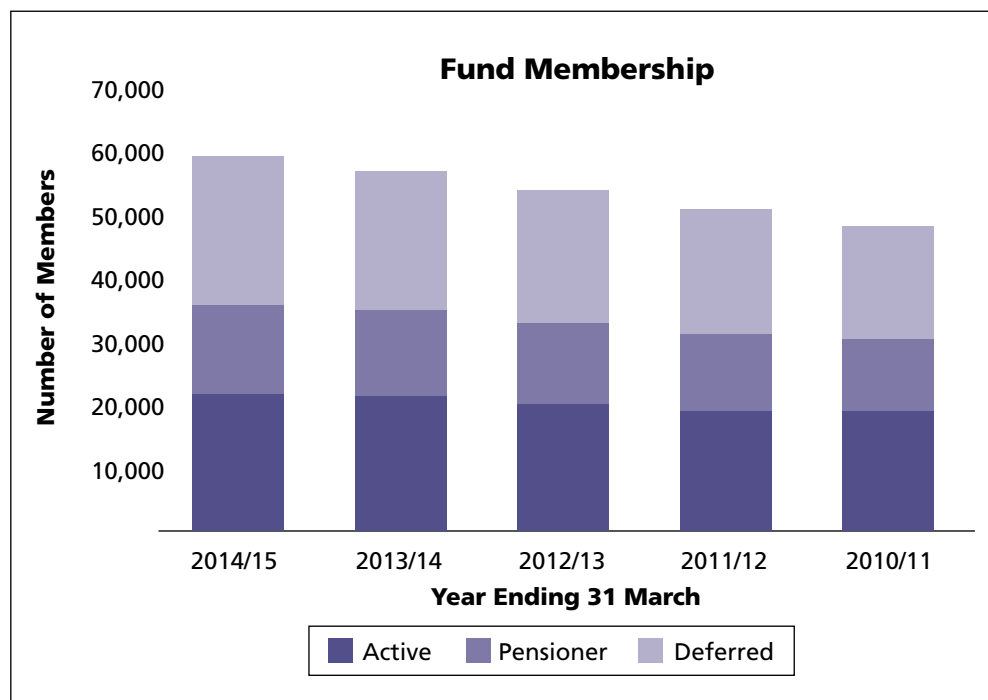
Pensioners

In payment at start of year	13,729	12,879
<i>New pensioners in year resulting from:</i>		
Retirement of active members	374	518
Retirement of deferred members	416	396
Cessation of benefits	-533	-251
Other	214	187
In payment at end of year	14,200	13,729

Deferred members

At start of year	22,262	21,178
New deferred pensioners	1,955	1,166
<i>Cessation of deferred pensions resulting from:</i>		
Retirements	-416	-396
Linked to active records	0	0
Full commutations	0	0
Transfers-out	-230	-94
Deaths	-22	-17
Other	240	425
At end of year	23,789	22,262

5 year analysis of fund membership



5 Year Analysis of Fund Membership Data

	2015	2014	2013	2012	2011
Active Members	21,606	21,655	20,193	19,329	19,456
Deferred Beneficiaries					
Deferred Members	23,789	22,262	21,178	19,701	17,883
Frozen Refunds					
Pensions in Payment	14,200	13,729	12,879	12,227	11,343
Total Membership	59,595	57,646	54,250	51,257	48,682

Age profile of fund membership at 31 March 2015

Age Band Years	Active	Pension Type % of Members		Total
		Deferred	Pensioner	
<20	231	17	127	375
20 - 24	896	397	27	1320
25 - 29	1370	1314	2	2686
30 - 34	1625	1726	6	3357
35 - 39	2115	2273	7	4395
40 - 44	3197	3550	28	6775
45 - 49	3945	4804	33	8782
50 - 54	3708	4874	72	8654
55 - 59	2778	3540	567	6885
60 - 64	1341	1148	2865	5354
65 - 69	341	100	3964	4405
70 - 74	55	34	2579	2668
75 - 79	4	11	1643	1658
80 - 84	0	1	1231	1232
85 - 89	0	0	658	658
>90	0	0	391	391

Employer and Employee contributions

Employer Name	TOTAL ERS	TOTAL EES
Wiltshire Council	26,015,611.30	8,223,446.61
Swindon Borough Council	14,348,436.97	3,899,286.48
Agincare	38,874.97	11,486.95
New College	711,358.09	223,184.65
Swindon College	1,060,741.01	311,992.07
Wiltshire College	1,430,074.30	434,741.57
Town and Parish Councils	919,749.51	310,638.24
Wiltshire Police	3,564,259.81	1,458,075.02
Wiltshire Fire	872,036.88	220,888.10
Wiltshire Probation	255,644.39	46,550.00
Swindon Academy	382,812.70	141,547.33
ABM Catering Ltd	2,838.25	557.51
Action for the Blind	41,088.52	1,175.88
Aster Group	183,961.03	21,851.99
AsterPropMgmt	106,228.85	23,403.95
Aster Living	53,854.41	4,642.07
Aster Communities	347,467.54	16,464.01
Capita Business	317,869.36	66,451.32
CIPFA	1,886,224.46	398,977.22
Community First	102,540.20	27,351.59
Community Foundation	10,809.48	2,522.09
DC Leisure	170,321.97	37,241.48
Devizes Museum	21,000.00	0.00
FCC Environment Services	87,604.34	9,605.12
Order of St John	764,077.05	40,836.18
Southern Health NHS	2,189.02	388.70
Salisbury Museum	48,997.41	9,813.18
Selwood Housing Society	628,738.97	150,463.53
Swindon Dance	9,123.95	2,398.10
Westlea Housing Association	569,795.07	69,078.15
Direct Cleaning	4,001.87	815.85
Salisbury City Council	184,837.33	56,219.53
Wellington Academy	188,875.99	83,224.53
Swindon Commercial Services	100,020.21	31,252.11

Employer Name	TOTAL ERS	TOTAL EES
Hardenhuish School Ltd	330,574.52	81,524.19
Goddards Park Academy	135,087.44	62,050.88
Sarum Academy	158,713.06	44,395.65
Caterlink	1,349.64	311.88
Lavington Academy	106,199.37	28,566.99
South Wiltshire Grammar Academy	133,709.86	43,371.65
Bishop Wordsworth	131,035.95	40,768.39
Corsham Primary Academy	83,915.12	27,568.36
Corsham Secondary Academy	217,932.56	67,718.40
Sheldon Academy	255,276.48	86,980.32
Royal Wootton Bassett Academy	207,605.47	62,705.11
Pewsey Vale Academy	71,385.11	18,244.08
Highworth Warneford	195,766.62	44,983.72
Commonweal Academy	323,129.88	79,404.93
Holy Rood Infants Academy	48,298.56	11,770.76
Holy Rood Junior Academy	71,387.54	21,975.48
Lethbridge Academy	84,461.72	22,858.29
Lydiard Academy	237,374.00	50,173.88
Malmesbury Academy	165,799.15	43,145.26
Ridgeway Academy	151,235.61	37,088.63
St Joseph's Academy	320,098.34	82,383.89
St Mary's Academy	52,416.68	11,890.61
Kingdown Academy	270,151.55	76,773.98
St Laurence Academy	209,915.45	59,846.70
Kingsdown Academy	292,655.55	72,296.10
St Josephs Academy, Devizes	27,689.74	8,345.01
Holy Trinity Academy	24,551.49	5,954.79
St Augustines Acadmy	162,555.78	48,607.79
Churchfield Academy	187,267.40	43,229.72
St Edmunds Calne Academy	36,139.16	8,114.87
Eastrop Infants Academy	14,917.10	3,926.27
Southfield Junior Academy	39,853.87	9,430.22

Employer Name	TOTAL ERS	TOTAL EES	Employer Name	TOTAL ERS	TOTAL EES
Sequel Care & Support Swindon	946,182.65	258,849.37	Longmeadow Academy	24,285.90	6,411.81
Visit Wiltshire	12,198.50	3,901.56	Rowde Academy	43,177.96	9,541.67
St Leonards Academy	21,365.15	5,183.69	Malmesbury Primary Academy	91,519.23	21,731.06
Springfields Academy	298,970.38	84,717.62	Atkins Limited	74,603.05	22,122.13
John Bentley Academy	224,359.10	57,073.93	Plains Partnership	10,167.06	2,549.49
Somerset Care Ltd	31,125.96	7,721.47	GLL	169,955.27	57,336.00
Colebrook Infants Academy	28,499.71	6,542.89	Host	13,208.02	3,213.60
Dorcan Technology Academy	213,353.49	58,828.92	Crime Reduction Initiatives	8,257.98	2,323.63
Enara	25,860.30	7,536.02	Lifeways	125,787.58	33,395.32
Leonard Cheshire	21,816.49	10,184.33	Reach	40,105.92	10,154.58
Woodford Valley Academy	41,390.11	9,883.38	Hazelwood Academy	56,749.22	11,770.60
St Edmunds Academy	196,499.21	47,387.61	Dauntsey Primary Academy	24,688.98	6,644.47
Somerset Care Selwood	10,214.01	2,393.24	Morgan Vale & Woodfalls Academy	15,139.70	3,854.62
Great Western Hospital	4,618.88	1,739.50	Diocese of Bristol Academies Trust	60,962.37	13,252.85
John of Gaunt Academy	239,998.94	65,412.04	Millbrook Academy	96,444.70	26,804.10
Bybrook Valley Academy	26,835.15	7,971.47	Peatmoor Primary Academy	52,727.16	12,011.39
The Mead Primary Academy	161,972.96	44,118.44	Westlea Academy	66,665.49	16,442.25
Holy Trinity Calne Academy	37,897.65	9,153.24	Diocese of Salisbury Academies Trust	101,534.34	23,926.73
Sevenfields Academy	67,650.28	21,070.83	Shawridge Academy	62,645.62	15,636.31
Innovate Services	1,450.08	396.81	Mears Care Ltd	121,828.55	31,766.94
Collaborative School	14,787.48	4,055.88	All Saints (Netheravon) Academy	23,108.57	6,112.46
Oxford Health NHS Trust	8,125.80	2,138.40	Pewsey Primary Academy	40,432.34	10,042.19
Mainline Contract Services	1,603.68	258.00	Nuffield Health (Ridgeway Academy)	24,627.35	6,032.30
White Horse Federation	571,047.20	145,271.03	Balfour Beatty	344,475.86	134,617.29
King William Academy	41,365.79	10,242.88	Salisbury 6th Form College	6,835.05	6,833.39
Gorse Hill Academy	74,292.02	16,524.25	4 Children (Swindon)	39,305.56	10,363.03
Wiltshire & Swindon Sports Partnership	38,806.93	11,872.20	Queens Crescent Academy	31,467.35	7,194.44
Elior UK plc	15,100.39	2,190.20	Twigmarket	18,154.67	5,881.75
The Manor Academy	46,697.66	14,313.27	Total Contributions	66,237,408.32	19,291,125.46
Devizes Academy	207,235.38	55,819.71			
Excalibur Academy	289,303.60	73,947.74			
Holy Family Academy	61,552.24	15,143.07			
St Catherine's Academy	37,493.10	8,030.90			
Wansdyke Academy	43,839.31	9,685.05			
Education Fellowship	204,522.91	50,622.21			

Participating employers at 31 March 2015

Scheduled/ Resolution bodies

Wiltshire Council
Swindon Borough Council
Wiltshire & Swindon Fire Authority
Wiltshire Police PCC & CC
Wiltshire Probation Service (Transferred out Feb 15)
Aldbury Parish Council
Amesbury Parish Council
Blunsdon St Andrews Parish Council
Bradford-on-Avon Town Council
Calne Town Council
Chippenham Town Council
Corsham Town Council
Cricklade Town Council
Devizes Town Council
Haydon Wick Parish Council
Highworth Town Council
Malmesbury Town Council
Marlborough Town Council
Melksham Town Council
Melksham Without Parish Council
Mere Parish Council
Purton Parish Council
Royal Wootton Bassett Town Council
Salisbury City Council
Steeple Ashton Parish Council
Stratton St Margaret Parish Council
Trowbridge Town Council
Wanborough Town Council
Warminster Town Council
Westbury Town Council
Wilton Town Council
Wroughton Parish Council
All Saints (Netheravon) Academy
Bishop Wordsworth Academy
Bybrook Valley Academy
Churchfield Academy
Colebrook Infants Academy
Commonweal Academy
Corsham Primary Academy
Corsham Secondary Academy inc Corsham Regis
Dauntseys Academy
Devizes Academy
Diocese of Bristol Academy Trust
Diocese of Salisbury Academy Trust
Dorcan Technology Academy
Eastrop Infants Academy
Education Fellowship

Excalibur Academy
Goddards Park Academy
Gorse Hill Academy
Hardenhuish School Ltd
Hazelwood Academy
Highworth Warneford Academy
Holy Family Academy
Holy Rood Infants Academy
Holy Rood Junior Academy
Holy Trinity Calne Academy
Holy Trinity Devizes Academy
John Bentley Academy
John of Gaunt Academy
King William Academy
Kingdown Academy
Kingsdown Academy
Lavington Academy
Lethbridge Academy
Lydiard Academy
Malmesbury Academy
Malmesbury Primary Academy
The Manor Academy
The Mead Primary Academy
inc Castle Mead Academy
inc River Mead Academy
Millbrook Academy
Morgan Vale Academy
New College
Oasis Community Learning
Peatmoor Primary Academy
Pewsey Primary Academy
Pewsey Vale Academy
Queens Crescent Academy
Ridgeway Academy
Rowde Academy
Royal Wootton Bassett School
Salisbury 6th Form Academy
Sarum Academy
Sevenfields Academy
Shaw Ridge Academy
Sheldon Academy
South Wilts Grammar School
Southfield Junior Academy
Springfields Academy
St Augustine's School
St Catherine's Academy
St Edmund's Calne Academy
St Edmunds Girls Academy
Salisbury
St Joseph's Academy Devizes
St Joseph's Academy Swindon
St Laurence Academy
St Leonard's Academy
St Mary's Swindon Academy
Swindon College
United Learning Trust
UTC Swindon
Wansdyke Academy

Wellington Academy
Westlea Academy
White Horse Academies
Wiltshire College
Woodford Valley Academy

Admitted bodies

4 Children
ABM Catering Ltd
Action for Blind People
Agincare
Aster Communities
Aster Group
Aster Living
Aster Property Management
Atkins Ltd
Balfour Beatty
Barnardos
Capita Business Services Ltd
Care & Support Swindon (SEQOL)
Caterlink
CIPFA
Collaborative Schools
Community First
Crime Reduction Initiatives
Direct Cleaning
Elior UK
Enara
FCC Environment
Great Western Hospitals
Greenwich Leisure Limited
Host
Innovate Services
Leonard Cheshire
Lifeways
Mainline Contract Services
Mears Care Ltd
Nuffield Health
Places For People Leisure
Plains Partnership
The Order Of St John Care Trust
Oxford Health NHS Trust
Salisbury and South Wilts Museum
Selwood Housing
Seren Group
Somerset Care Ltd
Southern Health NHS Foundation Trust
Swindon Commercial Services
Swindon Dance
Twigmarket
Visit Wiltshire
Westlea Housing Association
Wiltshire and Swindon Sports Partnership
Wiltshire CCG

Summary of employers in the fund

	Active
Scheduled body	110
Admitted body	47
Total	157

3. Scheme Management and Governance

Administering authority

Wiltshire Council
County Hall
Trowbridge
Wiltshire BA14 8JN

Pension fund committee as at 31 March 2015

Wiltshire Council members

Councillor Tony Deane (Chairman)
Councillor Charles Howard (Vice Chairman)
Councillor Mark Packard
Councillor Roy While
Councillor Sheila Parker

Swindon Borough Council members

Councillor Steve Allsopp
Councillor Brian Ford

Employee observers

Mike Pankiewicz – Wiltshire Council
Tony Gravier – Swindon Unison Branch

Admitted bodies

Mrs Diane Hall – Selwood Housing Association

Education scheduled bodies

Mrs Linda Stuart – Hardenhuish Academy

Officers, advisors & managers at 31 March 2015

Wiltshire Council officers

Michael Hudson – Treasurer to Pension Fund
David Anthony – Head of Pensions

Investment managers

Baillie Gifford & Co
CBRE Global Multi Manager
Loomis Sayles
Jubilee Advisors (formerly Fauchier Partners)
Legal & General
M&G Financing Fund
Partners Group
Barings Asset Management
Berenberg Bank
Investec Asset Management

AVC providers

Equitable Life Assurance Society
Clerical Medical Funds
NPI Funds
Prudential

Investment consultant

Actuary

Independent adviser

Auditor

Custodian

Legal adviser

Mercers
Hymans Robertson
Jim Edney, Independent Pension Fund Adviser
KPMG LLP
BNY Mellon
Osborne Clarke

Bankers of the Fund

HSBC

Policy documents

The Fund's Governance Policy Statement and its Communications Policy Statement are available upon request or can be viewed at www.wiltshirepensionfund.org.uk The Fund's Governance Compliance Statement can be viewed on page 17.

Management

The Wiltshire Pension Fund Committee meets at regular quarterly intervals to review the affairs of the Fund, to review Fund performance and to plan the implementation of policy. In addition a separate Investment Sub Committee meets periodically to review specific issues relating to Fund investments. Finally, in response to the Public Service Pensions Act 2013 all LGPSs are required to set up a local pension board. The role of the pension board will be to ensure that the management of fund administration and investments complies with the relevant regulations and legislation and that the Fund is managed in the best interests of its stakeholders.

All investments held by Wiltshire Pension Fund are managed by external investment managers.

Fund assets are managed as follows:-

- Global overseas equity exposure is managed by Baillie Gifford
- Global bond exposure is managed by Loomis Sayles
- UK and European property funds are managed by CBRE Global Investment Partners
- Global long/ short equity fund of funds are managed by Permal
- The UK financing fund is managed by M&G
- Legal & General manage passive UK equities, passive UK gilts, passive global fundamentals and passive global equities.
- Barings manages the Dynamic Asset Absolute Return Fund
- Investec manages the Emerging Markets Multi Asset Fund
- Partners manages the Global Infrastructure mandate
- Berenberg manages the Dynamic Currency overlay

Custodial arrangements

Fund assets are held by BNY Mellon who handles all custodial arrangements of the Fund. The custodian is also able to carry out stock lending on behalf of the Fund. Fund assets are held under the name "Wiltshire County Council Pension Fund".

4. Governance

Governance policy statement

AREA	PRINCIPLE	LEVEL OF COMPLIANCE	REASON FOR NON-COMPLIANCE
A) Structure	a) The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council.	FULL – The Council's constitution (Part 3, para 2.5) says that the Committee will "exercise the functions of the Council as Administering Authority under the Local Government Superannuation Act and Regulations and deal with all matters relating thereto". The Wiltshire Pension Fund Committee has the power to "... make decisions on matters of significant policy..." (Part 3B, para 4).	N/A
	b) That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	FULL – There are two voting representatives from Swindon Borough Council, two voting representatives from Admitted Bodies and two UNISON Observers (representing active, deferred and pensioner members), all of whom are members of the main committee. There is an investment Sub-Committee (ISC) to consider and determine opportunistic investments to the value of 5% of the Fund's total assets. This consists of three voting members, namely the Chairman, Vice-Chairman and one co-opted member of the main committee. All members of the main committee may be an observer.	N/A
	c) That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	FULL - All decisions taken by the ISC are reported back to the next main committee meeting.	N/A
	d) That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.	FULL - At least 4 members of the ISC sit on the main committee.	N/A

B) Representation	a) That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:		
	i. employing authorities (including non-scheme employers, eg, admitted bodies);	FULL – four representatives in total, two from Swindon Borough and two from Admitted Bodies. The non-elected members will hold their office for a maximum of 4 years before a re-election process needs to take place.	N/A see A) b) above
	ii. scheme members (including deferred and pensioner scheme members);	FULL – two representatives from UNISON, who represent active, deferred and pensioner members	N/A
	iii. independent professional observers; and	FULL – Our Independent Pension Adviser, who attends all meetings, fulfils this role and feeds back any observations to the Chief Finance Officer and/or Head of Pensions	N/A
	iv. expert advisors (on an ad-hoc basis).	FULL – Mercers (the Fund's Investment Consultant) and Hymans Robertson (the Fund's Actuary) attends all meetings where expert advice is required.	N/A
	b) That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision making process with or without voting rights.	FULL – All members of the Committee are given equal access to papers, meetings and training and are able to fully participate in debates.	N/A
C) Selection and Role of Lay Members	a) That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.	FULL – Full Induction Training and Governance is given and each member is given a Members' Handbook outlining their responsibilities amongst other information.	N/A
	b) That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.	FULL – this is a standard part of committee procedure.	

D) Voting	a) The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees.	FULL – The Committee has afforded each of its members voting rights, except the UNISON Observers who represent members. Being a statutory pension scheme, the local committee has very little influence over benefits and the members are fully protected by statute. Therefore, there is very little that scheme members (or their representatives) can influence on the committee that has any direct impact upon them. Further, giving voting rights to the observers would mean increasing the size of the Committee, because the Administering Authority must legally be able to maintain a majority.	N/A
E) Training/Facility Time/ Expenses	a) That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.	FULL – There is a Members' Training Plan which is updated regularly and fully implemented. All members (including observers) have full access to all training opportunities and are allowed to claim all reasonable expenses.	N/A
	b) That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form of secondary forum.	FULL – see Members Training Plan	N/A

F) Meetings - Frequency	a) That an administering authority's main committee or committees meet at least quarterly.	FULL – The Committee meets five times per year, plus ad-hoc for special issues (eg. valuation, tenders)	N/A
	b) That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.	FULL - The ISC meets two times per year, with a potential two further meetings scheduled should they be required.	N/A
	c) That administering authorities who do not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders can be represented.	FULL - From 1 April 2015, Wiltshire Council in its role of Administering Authority will establish a Local Pension Board. This will consist of 6 voting members (3 employer and 3 member representatives) along with a non-voting independent chair. The purpose of this Board is to review and ensure the Wiltshire Pension Fund secures compliance with the Scheme regulations and all other relevant legislations.	N/A
G) Access	a) That subject to any rules in the council's constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.	FULL – All members of the Committee (including non voting and substitute members) receive all the papers for every meeting, including the confidential ones	N/A
H) Scope	a) That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.	FULL – All matters in relation to the Fund, whether Benefits, Governance, Investments, Communications, Employers, Financial, etc, are covered by the governance arrangements.	N/A
I) Publicity	a) That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.	FULL - the Governance Compliance Statement is available on the Wiltshire Pension Fund Website and in the Wiltshire Pension Fund Annual Report. This statement is approved by the main committee which is held as a meeting open to public participation.	N/A

Pensions Committee as at 31 March 2015

The Wiltshire Pension Fund Committee met 6 times in 2014-15. Below shows the attendance of the Members of this Committee:

Members	Number of meetings attended (max 6)
Councillor Tony Deane	5
Councillor Charles Howard	6
Councillor Sheila Parker	4
Councillor Roy While	4
Councillor Mark Packard	5
Councillor Steve Allsopp	4
Councillor Brian Ford	4
Mike Pankiewicz	5
Tony Gravier	2
Diane Hall (Appointed Sept 14)	3
Linda Stuart (Appointed Sept 14)	4

5. Risk

Risk Management

The Administering Authority has an active risk management programme in place. Controls are in place to cover the following risks.

Financial/Funding Risk

This is essentially the risk that the funding level drops and/or contribution rates have to rise due to one or more of the following factors:

- **Investment Risk** – This is the risk that the investments assets underperform the level assumed in the Triennial Actuarial Valuation. This can occur due to poor economic/market conditions, the wrong investment strategy or poor selection of investment managers.
- **Liability Risk** – This is the risk that there is a fall in the so-called “risk free” returns on Government bonds, which form the basis of assumptions about future investment returns. The assumed future investment return is used to “discount” future liabilities (ie. over the next 0-80 years) back to today’s values (net present value). Therefore, falling bond yields means higher liabilities.
- **Inflation Risk** – Notwithstanding other factors, Pension Fund liabilities increase in line with inflation, because the CPI is applied to pensions annually. Therefore, rising inflation causes the liabilities to increase.
- **Insufficient Funds Risk** - This is the risk that there is insufficient money in the Fund to pay out pensions as they become due. As mentioned earlier, this is not an immediate concern for a relative immature fund such as Wiltshire.

Demographic Risk

This is the risk that the pensioners live longer and therefore the liabilities of the Fund increase.

Regulatory Risk

This risk could manifest itself in a number of ways. For example, it could be the risk that the liabilities will increase due to the introduction of an improved benefits package, or that investment returns will fall due to tighter regulation being placed on what can be invested in. It could also arise through a failure to comply with LGPS or other regulations.

Governance Risk

This is the risk that governance arrangements of the Fund are sub-optimal. For example, this could arise through a lack of expertise on the Committee arising from insufficient training. Another possibility is that potential conflicts of interest between the Fund and the Council are not managed sufficiently well.

Employer Risk

This is the risk that an employer is unable to meet its financial obligations to the Fund, either during its membership of the Fund, or at its ceasing when the last contributing member leaves. Where a guarantor is in place they will pick up the cost of any default, but where there is not one, the cost has to be spread across all employers in the Fund.

Management Risk

This risk can manifest itself in a number of ways:

- Failure to process pensions
- Failure to collect contributions
- Failure to have proper business continuity plans in place
- Fraud or misappropriation
- Failure to maintain up-to-date and accurate data and hold it securely
- Failure to maintain expertise or over-reliance on key staff
- Failure to communicate effectively with members and employers
- Failure to provide the service in accordance with sound equality principles

A Risk Register was formally adopted by the Wiltshire Pension Committee in May 2009 and a report of the key highlights is reported to the Committee at each quarterly meeting. The risks highlighted in this report are shown in the table on the following pages. Other risks concerning the Fund are disclosed in the Funding Strategy Statement and note 11 of the Statement of Accounts relating to Financial Instruments.

Third party risks

Contribution payments are monitored closely for accuracy and timeliness. A reporting process is in place to escalate any late/inaccurate payments to ensure all payments are received. In respect of Investment Managers, internal control reports (AAF 01/06 and SSAE16) are received and reviewed regularly for any non-compliance issues. These are also reviewed by our internal and external auditors.

Ref.	Risk	Impact	Controls
PEN001	Failure to process pension payments and lump sums on time	Retiring staff will be paid late, which may have implications for their own finances. It also has reputational risk for the Fund and a financial cost to the employers if interest has to be paid to the members.	Maintenance and update of ALTAIR and SAP systems, sufficient staff cover arrangements, sufficient staff training and QA checking of work.
PEN002	Failure to collect and account for contributions from employers and employees on time	Adverse audit opinion for failure to collect contributions by 19th of month, potential delays to employers' FRS17 year-end accounting reports and to the Fund's own year-end accounts.	Robust maintenance and update of ALTAIR and SAP systems, sufficient staff cover arrangements, sufficient staff training and QA checking of work. We constantly work with employers to ensure they understand their responsibilities to pay by 19th of the month.
PEN003	Insufficient funds to meet liabilities as they fall due	Immediate cash injections would be required from the scheme employers. This shouldn't be an issue for the Fund but it looks likely that investment income might need to be used within the next 12 months.	Funding Strategy Statement, Investment Strategy, Triennial Valuations, membership of Club Vita, modelling of future cashflows.
PEN004	Inability to keep service going due to loss of main office, computer system or staff	Temporary loss of ability to provide service	Business Continuity Plan in place. The team have the ability to work from home or remotely if required. The pension system is also hosted by its supplier, which reduces the risk should Wiltshire Council's IT servers fail. The Fund also operates a paperless office.
PEN005	Loss of funds through fraud or misappropriation	Financial loss to the Fund	Internal and External Audit regularly test that appropriate controls are in place and working. Regulatory control reports from investment managers, custodian, etc, are also reviewed by audit. Due Diligence is carried out whenever a new manager is appointed. Reliance is also placed in Financial Services Authority registration.
PEN006a	Significant rises in employer contributions for secure employers due to increases in liabilities	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs.	Longevity and bond yields are really beyond the control of the Fund although some Funds have considered buying longevity insurance through the use of SWAPS. However, the Fund and each employer must have a Discretions Policy in place to help control discretionary costs (e.g.. early retirements, augmented service, etc). Quarterly monitoring in liabilities movements is undertaken providing advance warning to employers.
PEN006b	Significant rises in employer contributions for non-secure employers due to increases in liabilities	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs	Longevity and bond yields are really beyond the control of the Fund although some Funds have considered buying longevity insurance through the use of SWAPS. However, the Fund and each employer must have a Discretions Policy in place to help control discretionary costs (e.g.. early retirements, augmented service, etc). Quarterly monitoring as described above. The 2013 Valuation has set rates for the next 3 years.

Ref.	Risk	Impact	Controls
PEN007a	Significant rises in employer contributions for secure employers due to poor/negative investment returns	Poor/negative investment returns, leading to increased employer contribution rates	Use of expert consultants in the selection of investment strategy and selection of investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). There is a monthly review of the % of the Fund held in each mandate and strategy
PEN007b	Significant rises in employer contributions for non-secure employers due to poor/negative investment returns	Poor/negative investment returns, leading to increased employer contribution rates	Use of expert consultants in the selection of investment strategy and selection of investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). There is a monthly review of the % of the Fund held in each mandate and strategy.
PEN008	Failure to comply with LGPS and other regulations	Wrong pension payments made or estimates given. Investment in disallowed investment vehicles or failure to comply with governance standards. Effect: Unhappy customers, tribunals, Ombudsman rulings, fines, adverse audit reports, etc	Sufficient staffing, training and regulatory updates. Competent software provider and external consultants.
PEN009	Failure to hold personal data securely	Poor data, lost or compromised	Compliance with Wiltshire Council's Data Protection & IT Policies.
PEN010	Failure to keep pension records up-to-date and accurate	Incorrect records held, leading to incorrect estimates being issues to members and incorrect pensions potentially being paid	Systems Team constantly working to improve data quality, data validation checks carried out through external partners (e.g. the Fund's actuaries and tracing agencies), pro-active checks done through national fraud initiative.
PEN011	Lack of expertise of Pension Fund Officers and Service Director, Finance	Bad decisions made may be made in relation to any of the areas on this register, but particularly in relation to investments.	Officers ensure that they are trained and up-to-date in the key areas through attendance at relevant courses and seminars, reading, discussions with consultants and peers, etc. The Technical & Compliance Manager has formulated annual Training Plans and Relevant officers are also reviewed against the CIPFA Knowledge & Skills Framework to ensure adequate expertise exists.
PEN012	Over-reliance on key officers	If someone leaves or becomes ill, a big knowledge gap if less behind.	Key people in the team are seeking to transfer specialist knowledge to colleagues. In the event of a knowledge gap, however, we can call on our external consultants and independent advisors for help in the short-term.
PEN013	Failure to communicate properly with stakeholders	Scheme Members are not aware of the rights and privileges of being in the scheme and may make bad decisions as a result. Employers are not aware of the regulations, the procedures, etc, and so the data flow from them is poor	The Fund has a Communications Manager and Employer Relationship Manager dedicated to these areas full-time, including keeping the website up-to-date, which is a key communications resource. The Fund also has a Communications Policy.

Ref.	Risk	Impact	Controls
PEN014	Failure to provide the service in accordance with sound equality principles	Some customers may not be able to access the service properly or may be offended and raise complaints. At worst case, this could result in a court case, etc.	The Fund has done an Equality Risk Assessment and has an Equality Implementation Plan in place
PEN015	Failure to collect payments from ceasing employers	Failure to collect cessation payments means the cost of funding future liabilities will fall against the Wiltshire Pension Fund	The Pension Fund Committee approved a Cessation Policy in February 2010 to provide an agreed framework for recovery of payments. All new admitted bodies now require a guarantor to join the Fun
PEN016	Treasury Management	Exposure to counterparty risk with cash held with external deposit holders could impact of Funding level of the Fund	The Pension Fund approved an updated Treasury Management Strategy March 2015 which follows the same criteria adopted by Wiltshire Council but limits individual investments with a single counterparty to £6m
PEN017	Lack of expertise on Pension Fund Committee	Bad decisions made may be made in relation to any of the areas on this register, but particularly in relation to investments. There is also a requirement for Fund's to 'Comply or Explain' within their Annual Report on the skills knowledge of members of the Committee	Members are given Induction Training when they join the Committee, as well as subsequent opportunities to attend courses/seminars and specialist training at Committee ahead of key decisions. There is a Members' Training Plan and Governance Policy. Help can be called on from our consultants and independent advisors and investment managers too.
PEN018	Failure to implement the LGPS 2014 Reforms	Unable to meet the new legislative requirements of the scheme and to administer the Fund correctly.	A communication policy implemented to inform all members of the changes. Implementation Plan is on-going. Systems team in close contact with Software are providers to ensure developments will be actioned. Review of process being undertaken by Technical & Compliance Manager to ensure changes are compliant.
PEN019	Establishment of Local Pension Board & Investment Sub-Committee	Reputational risk from a national perspective and failure to adhere to legislation resulting in action by the Government or the Pension Regulator. Ineffective operation of the Investment sub-Committee leading to bad decision making.	Plan in place for the implementation of a Local Pension Board, to be approved by Wiltshire Council on 24 February. Following this recruitment will commence and additional resources required for the operation of this board included in the Funds budget. Although the responsibility of Wiltshire Council to establish, these Boards will place additional demands on the officers time in the support and provision of information.

6. Training Report

Approach

As an administering authority of the Local Government Pension Scheme, this council recognises the importance of ensuring that all staff and members of the Pension Fund Committee charged with the financial management and decision making with regard to the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them. The Fund provides and arranges training for staff and members of the pension committee to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

The Wiltshire Pension Fund's training plan sets out how we intend the necessary pensions finance knowledge and skills are to be acquired, maintained and developed. The three year plan reflects the recommended knowledge and skills level requirements set out in the CIPFA Pensions Finance Knowledge and Skills Framework.

The Treasurer to the Pension Fund is responsible for ensuring that these training plans and strategies are implemented.

Background

The promotion of good governance in the public sector decision making bodies has been led by CIPFA and SOLACE over recent years. In light of this work and that of the Department for Communities and Local Government, specific guidance has led to the requirement for pension funds to produce governance statements and encouragement to follow best practices identified from various studies.

This initiative has been developed further with CIPFA producing guidance on the knowledge and skills elected representatives and fund officers need to have when involved in the work of the Pension Fund committee. This links to the Myners principles on best practice in managing investment funds.

In particular, Principle 1 'effective decision making' states:

Administering Authorities should ensure that:

- Decisions are taken by persons or organisations with the skills, knowledge, advice and resources necessary to make them effectively and monitor implementation; and
- Those persons or organisations have sufficient expertise to be able to evaluate and challenge the advice they receive, and manage conflicts of interest.

The CIPFA Knowledge and Skills Framework identifies the elements pension fund committee members should have in order to collectively fulfil the roles envisaged they have in effective decision making.

This Members Training Plan, in line with recommended practice is reviewed and updated on a rolling basis ensuring it's aligned to the Fund's medium term priorities.

Assessments & Training Undertaken

Members of the Committee

The previous Members Training Plan was approved in December 2010 by the Wiltshire Pension Fund Committee. This programme ran from 2011 and covered the following topics:

Topic:	Delivered by:
General: <ul style="list-style-type: none"> • Overview of the LGPS • Individual Members needs • Specific committee agenda items 	<ul style="list-style-type: none"> • Member's handbook • Briefing notes, one to one sessions and external conferences • Briefing notes and short seminars
General Pension Framework: <ul style="list-style-type: none"> • LGPS discretions & policies • Implications of Hutton Review 	<ul style="list-style-type: none"> • Short seminar • Briefing note, internal training and conferences
Pension Legislation & Governance: <ul style="list-style-type: none"> • Roles of the tPR, TPAS & PO • Review of Myners Principles 	<ul style="list-style-type: none"> • Internal training • Internal training
Pension Accounting & Auditing Standards: <ul style="list-style-type: none"> • Accounts & Audit regulations & legislative requirements 	<ul style="list-style-type: none"> • Short seminar
Financial Services Procurement: <ul style="list-style-type: none"> • Current public procurement policy & procedures • UK & EU procurement legislation 	<ul style="list-style-type: none"> • Internal training • Internal training
Investment Performance & Risk Management: <ul style="list-style-type: none"> • Monitoring asset returns & liabilities • Performance management & Myners • Setting targets for committee 	<ul style="list-style-type: none"> • Internal training • Internal training • Internal training
Financial markets & product knowledge: <ul style="list-style-type: none"> • Refresh the importance of setting investment strategy • Understanding the operations of a fixed income manager • Understanding Alternative asset classes 	<ul style="list-style-type: none"> • Short seminar • External training - site visit • Internal training
Actuarial methods, standards and practices: <ul style="list-style-type: none"> • Triennial Valuation refresher 	<ul style="list-style-type: none"> • Short seminar

During June 2014, Members of the committee agreed to undertake a further 'self – assessment' exercise that rated their knowledge in the areas covered by the CIPFA Pension Finance Knowledge & Skills Framework to identify key areas for development. These results were then used to inform and update a new Members Training Plan.

This new Members Training Plan runs from April 2015 to December 2017, with a focus on the 2016 triennial valuation and local elections. It incorporated the ideas, themes and preferences identified in the self-assessment exercise.

The plan will be delivered, similar to the ones in the past, through a number of different methods. The expectation is that at least two 'in-house' training days in the year will be held, complemented by 'short seminars' on Committee days on subjects pertinent to the forthcoming agenda. When applicable, external conferences were recommended to Members by officers if they are deemed to contain appropriate content. Briefing notes are also emailed to Members when applicable and occasionally webcasts and videos are made available if deemed specific enough. In addition the Fund will provide educational 'away-day' off-site training when there is any proposed substantial revision to the Fund's investment strategy.

The Members Training Plan for 2015-17 was approved by the Committee on 12 March 2015 is outlined at the end of this section.

Officers to the Pension Fund Committee

There is a framework in place for monitoring officers' performance and identifying training needs. Wiltshire Council's policy is that all officers receive an appraisal once a year with an interim review on a half yearly basis. They have their needs assessed and training plans are formulated accordingly.

The publication of the CIPFA Pension Finance Knowledge and Skills Framework for practitioners in 2010 also forms an additional reference source and framework for assessing and identifying key competencies in the relevant areas of the pension fund. This assists in recognising training needs to be incorporated into learning and development plans ensuring the requisite knowledge and skills are obtained.

As the officer responsible for ensuring that the Fund's training policies and strategy are implemented, the Director of Finance can confirm that the officers and Members charged with the financial decision making for the pension scheme collectively possess the requisite knowledge and skills necessary to discharge these duties and make decisions required during the reported period.

Michael Hudson

Treasurer of Pension Fund

22 July 2015

Wiltshire Pension Fund Committee - Members' Training Plan April 2015-2017

TRAINING NEED	PROPOSED DELIVERY METHODS							COMPLETION TARGET DATE
	Member's Handbook	Members' Briefing Notes (Electronic)	Short Seminars (before Committee meeting)	Internal Training Events (Internal & External Speakers)	External Conferences & Training Seminars	E-Learning (e.g., Webcasts, Videos)	One-to-One Briefing with an officer	
GENERAL TRAINING								
General overview of LGPS	✓							Review June 2016
Members' individual needs on specific areas arising during the year		✓			✓	✓	✓	As required - notify Head of Pensions
New Members induction session				✓			✓	May 2015 June 2017
Specific items on committee agendas		✓	✓					As required
SPECIFIC ISSUES IDENTIFIED FROM MEMBERS SELF ASSESSMENTS								
General Pension Framework								
<ul style="list-style-type: none">Terms of Reference for Pension Committee, Investment Sub-Committee & Local Pension Board	✓		✓					July 2015
<ul style="list-style-type: none">LGPS discretions policies			✓					July 2015
<ul style="list-style-type: none">Update following Government's response to consultation on the review of the LGPS		✓		✓	✓			September 2015
<ul style="list-style-type: none">Review of the Fund's communication policy & tools	✓			✓				May 2016
Pensions Legislation & Governance:								
<ul style="list-style-type: none">Role of the Pension Regulator, National Scheme Advisory Board & Local Pension Board	✓			✓				May 2015
<ul style="list-style-type: none">Review of the importance on data quality and implications of the end of contracting out in 2016	✓			✓				May 2015
<ul style="list-style-type: none">Overview of all the relevant sources of legislation that impact on the Fund	✓							May 2016
Pension Accounting & Auditing standards:								
<ul style="list-style-type: none">Update on the new reporting requirements for the Fund's Annual Report			✓					September 2015
Financial Services procurement:								
<ul style="list-style-type: none">Current public procurement policy & procedures	✓							May 2017
<ul style="list-style-type: none">Brief overview of UK & EU procurement legislation	✓							May 2017
<ul style="list-style-type: none">Awareness of support services suppliers and contract monitoring	✓			✓				May 2017
Investment Performance & Risk Management:								
<ul style="list-style-type: none">Monitoring asset returns relative to liabilities and monitoring funding level risk	✓	✓		✓	✓			September 2015
<ul style="list-style-type: none">Understanding the purpose of "flight paths" & asset liability matching		✓		✓	✓			September 2015
<ul style="list-style-type: none">Implications of setting different investment strategies for employers				✓				April 2016
Financial markets & products knowledge:								
<ul style="list-style-type: none">Review of asset allocation and investment strategy		✓		✓				June 2015 / 2016 / 2017
<ul style="list-style-type: none">Limits placed by regulation on investment activities in the LGPS	✓			✓				September 2016
<ul style="list-style-type: none">Environmental, Social and Governance considerations for investing				✓				September 2017
<ul style="list-style-type: none">Specific investment opportunities		✓		✓	✓			As required
Actuarial methods, standards and practices:								
<ul style="list-style-type: none">Review purpose of the Funding Strategy Statement	✓			✓				April 2016
<ul style="list-style-type: none">Triennial Valuation refresher			✓	✓				April 2016
<ul style="list-style-type: none">Considerations in relation to outsourcings and bulk transfers	✓			✓				April 2017
CHAIRMAN / VICE CHAIRMAN TRAINING								
<ul style="list-style-type: none">Strategic forward planning							✓	on-going
<ul style="list-style-type: none">Stakeholder feedback							✓	on-going
<ul style="list-style-type: none">Appreciation of changes to scheme rules					✓			Invite to be circulated to relevant ones

7. Administration report

Recent developments

This year saw twelve new admitted bodies and academies joining the Fund bringing the total number of employers to 157. It's anticipated the total number of employers will continue to increase over the next few years due to further outsourcing of services and schools converting to academy status.

One employer ceased membership during this period.

The full list of employers can be seen on page 14.

Implementation of the Local Government Pension Scheme 2014

The 1 April 2014 saw the new Local Government Pension Scheme 2014 come into force.

Since January 2013, the Fund has been working through its implementation strategy, working with all key stakeholders and software providers to ensure that systems and processes were updated and employers were made aware of the new data submission requirements. The Fund has also spent a great deal of time communicating these changes to members of the scheme with the production of 4 active members newsletters, 4 pensioners newsletters and over 65 presentations and pension road shows having taken place over the past 24 months.

The final stage of this process will occur in August 2015 with the issuing of Annual Benefit Statements which will include the first year's benefits of the 2014 scheme. This has required the Fund to redesign its statements and working closer with employers to ensure the correct pensionable pay figures as provided to ensure the accuracy of members' benefits.

As a reminder the main provisions of the new scheme are outlined in the table below:

LGPS 2014	
Basis of Pension	Career Average Re-valued Earnings (CARE)
Accrual Rate	1/49th
Revaluation Rate	Consumer Prices Index (CPI)
Normal Pension Age	Equal to the individual member's State Pension Age (minimum 65)
Contribution Flexibility	Members can opt to pay 50% contributions for 50% of the pension benefit
Death in Service Lump Sum	Lump Sum 3 x pensionable pay
Definition of Pensionable Pay	Actual pensionable pay - to include non contractual overtime and additional hours for part time staff
Vesting Period	2 years

LGPS 2014 is still a Defined Benefit Scheme

LGPS 2014 is still a Defined Benefit Scheme. The CARE scheme is similar to the previous Final Salary Scheme (LGPS 2008) in terms of its remaining a defined benefit scheme. This means that the scheme determines how much pension you will get by using a set formula rather than the performance of investments and cost of annuities used for defined contribution schemes.

The 50/50 Option

The LGPS 2014 contains an option for members to pay 50% of the contributions for a 50% pension whilst retaining the full value of other benefits of the scheme such as ill health, death in service and redundancy. This option is intended to retain members who suffer periods of financial difficulty.

Contributions based on actual pay for part time staff

Another significant change is all members will have contribution rates based on actual (not full time equivalent) pay which is not the case in the old scheme. This will mean that some part time workers will pay lower contributions than in LGPS 2008.

New Scheme Contributions

The contribution bandings are shown in the table below. The average member contribution to LGPS 2014 remains at 6.5% but most members will pay the same or lower contributions than under the 2008 Scheme.

Pensionable Pay	Gross Contribution	Contribution after Tax Relief*
Up to £13,500	5.5%	4.40%
£13,501 - £21,000	5.8%	4.64%
£21,001 - £34,000	6.5%	5.20%
£34,001 - £43,000	6.8%	5.44%
£43,001 - £60,000	8.5%	5.10%
£60,001 - £85,000	9.9%	5.94%
£85,001 - £100,000	10.5%	6.30%
£100,001 - £150,000	11.4%	6.84%
More than £150,000	12.5%	6.88%

**please note that the contribution rates after tax relief stated are approximate and will depend on individual members' circumstances.*

Protection of previous benefits

As the LGPS 2014 started on 1 April 2014, only pensionable service after that point will be in the new scheme, under the new LGPS 2014 rules.

Members with service in the current final salary scheme will retain the link to final salary for all service before 1 April 2014 and the Normal Pension Age as under the previous rules. The final salary pension from the LGPS 1997 and LGPS 2008 will be calculated separately when the Member retires and be added to their pension from the LGPS 2014.

In addition, to ensure that no member within 10 years of age 65 as at 1 April 2012 is worse off, there is an 'underpin'. This means that those members who would see a change in their pension age in that period will get a pension at least equal to that which they would have received in the previous scheme.

Previously agreed protection such as the retirement age provisions for remaining members with the 'rule of 85' benefits will continue.

Full details, and latest updates on the LGPS2014 scheme can be found on our website <http://www.wiltshirepensionfund.org.uk/news-update.htm> or by visiting the LGPS website www.lgps.org.uk

Pension Administration Strategy

The Fund has in place a pension administration strategy which outlines the roles and responsibilities and expectations in terms of provision of data and service delivery of both the administration team and employers. This can be found at the following link:

<http://www.wiltshirepensionfund.org.uk/employer-area/employers-guide/administration-strategy-2014.htm>

Funding Strategy Statement

This statement was approved by the Committee in September 2013 and published in October 2013 following a 20 day consultation period with the Fund's employers. This document sets out how the Fund attempts to balance its conflicting aims of affordable contributions, stability of employers' contributions, while being prudent when setting its funding basis.

The Funding Strategy Statement is written in collaboration with the Fund's Actuary and Investment Adviser. The Funding Strategy Statement (FSS) sets out the objectives of the funding policy main aim of which is trying to achieve a funding level of 100%, both at the whole Fund level and for the share attributable to individual employers, within a timescale that is prudent and affordable while ensuring there are sufficient liquid funds available to meet all benefits as they fall due for payment.

The FSS is reviewed in detail at least every third year (in which triennial valuations are carried out), with the next full valuation due to be finalised by March 2017 based on data at 31 March 2016. The FSS can be viewed on the Wiltshire Fund website at the following link:

<http://www.wiltshirepensionfund.org.uk/funding-strategy-2013.pdf>

Statement of Investment Principles

This policy is updated annually and outlines the investment strategy the Wiltshire Pension Fund Committee has put in place to achieve its investment goals of trying to achieve relatively stable “real” returns above the rate of inflation over the long term, in such a way to minimise the level of contributions required to be paid into the Fund by employer bodies. Further information is provided in the Investment report.

The current policy, approved by the Committee in June 2015 reflects the changes to asset allocations agreed by this Committee up until March 2015 and also outlines the Fund’s compliance with the Stewardship Code.

All Local Government Pension Scheme (LGPS) funds have to publish a Statement of Investment Principles, the latest of which can be viewed at the following link:
www.wiltshirepensionfund.org.uk/investment-principles

Treasury Management Strategy

This strategy was reviewed and approved in March 2015. The purpose is to outline the process and policies for the cash held by the Fund. Each month the Fund receives contributions and transfer in payments and pays out benefits and transfer out sums. The surplus is transferred on a monthly basis to the Fund’s investment managers. A balance of between £3m to £4m is held by the Fund to manage short term cashflows.

The strategy aims to achieve the optimum return on the cash held commensurate with the high levels of security and liquidity required. These funds are invested separately from cash balances held by Wiltshire Council.

The current strategy outlines the maximum limits for a single counterparty which is currently £6m. This limits the risk to a single counter party but is large enough to ensure that if one is removed at short notice the limit wouldn’t be breached.

The strategy can be viewed on the Wiltshire Pension Fund website at the following link:
<http://www.wiltshirepensionfund.org.uk/fund-information/treasury-management-strategy-2>

Communications

The Fund continues to develop its communications to keep employers and employees updated with the latest changes affecting the scheme, in particular the new LGPS 2014 and changes to legislation over the past twelve months.

This includes the Fund’s stable publications to members which include the Annual Benefits Statements for active and deferred members; Annual Allowances statements to those who breach the limits, letters to all high earners informing them of changes to the pension tax relief regimes, annual active members and pensioners’ newsletters, twelve induction presentations, seven pre-retirement presentations and early retirement seminars, eight presentations to employers and their members, and two pension clinics.

The Fund will also be looking to continue its successful Pension Clinics in locations around Wiltshire during 2015-2016 as this provides members with the opportunity to book 1-1 appointments with a member of the Benefits Team to discuss issues regarding their individual pension records.

The Fund's website is constantly being updated and reviewed to ensure the latest information is available for members. This includes updated guides to the new LGPS 2014 scheme, updated benefit calculator, and information on how pension tax relief affects members along with relevant calculators. The News Update section of the website is constantly changing to reflect important announcements and any other relevant news affecting members.

The Fund's Communications Policy Statement outlines the provision of information and publicity about the Scheme to its members, representatives of members and employing authorities. The current policy was approved by the Committee in June 2015 and the full document can be viewed on the Wiltshire Pension Fund website at:-

<http://www.wiltshirepensionfund.org.uk/fund-information/communication.htm>

AVC provider

Prudential is the Fund's current AVC provider. This facility allows members, if they wish, to top up their current LGPS pension provision by paying additional contributions into one of seven funds Prudential offer which best fit their risk profile. Members still making contributions to the closed schemes run by Clerical Medical, Equitable Life and NPI are able to continue paying into these funds or can decide to transfer their accumulated benefits into one of the new Prudential funds.

Prudential are available and always willing, on request from employers, to present to its employees to promote their services and provide further information on certain pension topics such as pension tax relief.

Management of the scheme

The members who served on the Wiltshire Pension Fund committee during the year are listed on page 15.

The Wiltshire Pension Fund Committee has nine voting members. This consists of five Wiltshire Council members, including the Chairman, two members from Swindon Borough Council as the second largest employer with two employer representatives.

During the year, two new employer representatives were appointed to the Committee following the resignation of the previous incumbents, Mr Tim Jackson from Greensquare and Lynda Croft from Wiltshire College. Mrs Diane Hall from Selwood Housing was appointed to represent Admitted Bodies, and Mrs Linda Stuart from Hardenhuish Academy was appointed to represent the Educational Schedule Bodies within the Fund.

The two Unison representatives observe on behalf of the employees, deferred, and pensioner members' within the scheme to ensure their interests are considered at the Committee.

The Committee met six times last year for regular business, with one special item meeting to appoint an investment manager to undertake the Multi Asset Credit and Absolute Return Credit mandates. All decisions are taken by a simple majority with the Chairman having the casting vote.

Investment Sub-Committee

At the December 2014 Committee meeting, it was agreed to expand the role of the Investment Sub-Committee (ISC). The ISC will now meet 4 times per year to implement and monitor investment manager performance while considering and making recommendations to the main committee on changes in the investment strategy of the Fund. This is in addition to the consideration of any potential investments that might utilise the Fund's opportunistic strategic asset allocation (5% of its total assets).

The rationale for this was to balance agenda time at the main committee to ensure sufficient focus on other areas such as administration and governance of the Fund. Its first meeting was held on 4 June 2015.

The ISC consists of four members of the main committee, being the Chairman, Vice-Chairman, along with another elected member from Wiltshire Council and an additional co-opted Member from the Wiltshire Pension Fund Committee.

All Members of the main committee are invited to attend the ISC as observers. The minutes and any decisions made are reported back to the next available main committee meeting.

Local Pension Board

Following Lord Hutton's review of public service pensions published in March 2011 legislation was introduced to "make public service pension schemes more transparent". The Public Sector Pension Act (2013) along with the Local Government Pension Scheme (Governance) Regulations 2015 now requires each LGPS administering authority to establish a new body known as a LPB to assist the Council in running the Wiltshire Pension Fund.

A key aim of the reform is to raise the standard of management and administration of public service pension schemes and to achieve more effective representation of employer and employee interests in that process. Therefore, although it will have no decision making powers the LPB will be responsible for:

- securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and;
- ensuring the effective and efficient governance and administration of the Scheme.

To fulfil its obligations under the legislation, Wiltshire Council approved the Terms of Reference for the LPB at its meeting on 24 February 2015. This ensured the LPB had been established by 1 April 2015.

The LPB will consist of an independent chairman, 3 employer representatives, and 3 scheme member representatives and is due to meet four times per year with its first meeting scheduled for 16 July 2015.

Further information related to the Local Pension Board can be found on the Wiltshire Pension Fund website.

Pensions section overview

The administration function of the Pensions team comprises the following teams:-

The Benefits Team acts as the main point of contact for any membership enquiries. This team is responsible for setting up new members, monitoring and maintenance of pension member records, payment of benefits, transfer payments and AVCs. This team comprises eleven members of staff.

The Systems Team is responsible for ensuring all the systems being used by the team are up to date, working correctly, and developed to ensure the most efficient and effective use of technology in delivering the administration services. This team is also responsible for monitoring and cleansing members data to ensure it is fit for purpose and meets the requirements imposed on the Fund by the regulators. This team comprises six members of staff.

Fund Communications are handled by the Fund Communications manager who deals with all aspects of scheme members communications and is responsible for the development and implementation of the Fund's Communications Policy. This includes areas such as scheme members newsletters, issuing of Annual Benefit Statements, delivery of presentations, road shows and pension clinics, the Fund's website and the marketing of the Fund.

Technical and Compliance Manager provides the technical support to the Fund in respect of interpretation of the Scheme Regulations and associated legislations. The Technical and Compliance Manager is also responsible for ensuring the process and procedures are compliant with all the relevant regulations, and that all members of the team are trained in the relevant areas.

Employer Relationships are handled by the Employer Relationship Manager. This role acts as a conduit between the employers and the Fund to address any issues or problems that may arise. This role is also responsible for all the communications between the Fund and employers, including the issuing of newsletters and training sessions. This person is also responsible for and providing advice on new admission, transfers, employers ceasing membership and any other pension related issues facing employers.

The Fund Development Team is responsible for the development, co-ordination and management of projects to ensure the service is as effective as possible, in line with the latest legislation and utilising the latest technology in its process and procedures. This team comprises two members of the Fund.

The Accounting and Investment Team is responsible for the accounting of all aspects of the Fund's activities and the monitoring of its investment activities. This includes the setting of the 3 year budget plans, reporting of the outturn position, production of the year end accounts and Annual Report, monitoring of investment managers performance, review and retendering of contracts, and the provision of FRS17 information to employer organisations within the Fund. The team comprises of 3 members of staff.

Assurance Framework

The Fund is subject to an annual internal audit review which is now undertaken by South West Audit Partnership (SWAP). An annual audit plan is agreed with the Wiltshire Pension Fund looking to provide assurances over key controls and the systems being used. The outcomes of these audits are reported to the main committee and any action plans arising are reviewed on a periodical basis.

KPMG provides the external audit of the Fund as part of its main audit of the Wiltshire Council accounts. The outcome of this audit is reported to Wiltshire Council's audit committee and to the Wiltshire Pension Fund committee in September. Any recommended actions are periodically reviewed by the pension committee.

Internal Dispute Resolution Procedure

The Wiltshire Pension Fund operates a two stage Internal Dispute Resolution Procedures (IDRP) if a scheme member or prospective member remains dissatisfied with a decision made.

Under Stage 1 of the process, the Wiltshire Pension Fund will appoint a “nominated person” to investigate a complaint concerning a pension. This person will review the dispute and make a determination as to whether the correct decision reached has been made in line with the scheme regulations. For Stage 1, Wiltshire Pension’s nominated person is Muse Consultancy.

Once the determination has been made, should the member or prospective member remain dissatisfied with this outcome then they can make an application under the Stage 2 process asking the Associate Director, Finance at Wiltshire Council to reconsider the determination made by the nominated person.

Following the Stage 2 process, the member or prospective member if still dissatisfied may then take their dispute to the Pension Advisory Service and then onto the Pension Ombudsman.

During 2014-15, the Fund received two applications under the Stage 1 process. Following the determination by Muse Consultancy neither of these cases, to date have moved to Stage 2. There were no Stage 2 cases in 2014-15.

Employer Issues

The Wiltshire Pension Fund employs an Employer Relationship Manager whose role is to act as an advocate for employers, help foster relationships and assist employers with any pension specific queries.

There is also an Employers’ Guide available, including details of the Fund’s discretions policy which can be found on the Fund’s website. This can be used as a substantive source of employer information, along with the regular technical newsletters and “Pensions Liaison Officers Group (PLOG)” meetings that are available for employers.

Further information specific to employers can be found on the website at the following address:

<http://www.wiltshirepensionfund.org.uk/employer-area.htm>

Due to the increasing amounts of and complexity of employer movements, under the backdrop of a challenging economic environment, the Fund now has policies in respect of its approach to new employers, in particular academies. The purpose of such policies is to ensure that the Fund is treating new & existing employers in a fair and reasonable way as well as protecting the interests of the Fund and its current employers. Further details of these policies and guidance can be found on the Wiltshire Pension Fund website at the following address:

<http://www.wiltshirepensionfund.org.uk/employer-admitted-body.htm>

If as an employer organisation you are considering or are undergoing a change to your corporate structure, undertaking an outsourcing or in sourcing of services, this may have implications for your pension liabilities within the Wiltshire Pension Fund. If this is the case please contact the Fund.

End of Contracting Out of SERPS

A reminder to all employers that April 2016 sees the introduction of the single state pension and hence the end of contracting-out from the second state pension (SERPS).

What this means for employers is that the National Insurance (NI) rebate that is currently applied to employers and employees whose members are in the LGPS scheme will no longer exist. This will then mean from April 2016 the NI contributions for those members within the thresholds will increase by 3.4% for employers and 1.4% for employees. We estimate that on average this will equate to a 2.3% increase in employer contributions and 0.9% for employees but the actual figures will depend on your specific payroll.

Employers are therefore reminded that they will need to communicate this to their staff and ensure this has been budgeted for from April 2016 onwards.

Further information can be found in the link below:

<https://www.gov.uk/government/publications/new-state-pension-information-for-employers-and-trustees-with-open-contracted-out-defined-benefit-pension-schemes>

Automatic Enrolment

The implementation of Automatic Enrolment which commenced in October 2012 continues with further staging dates now being reached for most Employers. Employers need to be aware of their increasing responsibility from the implementation of auto-enrolment. Under auto-enrolment the employer must enrol all eligible employees into a compliant scheme at least once every three years and maintain records of having done this. The implementation was phased in over five years, depending on the size of employer.

Although the implementation is not the Wiltshire Pension Fund's responsibility, we can, where possible offer guidance and support for employers in relation to their implementation and direct them to relevant sources of information.

More information has been provided to employers within our technical updates but please do contact the Pension Fund if you have any further queries.

Pension increase

Pensions in payment were increased by 1.2 percent effective from 6 April 2015 in line with the Consumer Price Index (CPI) as at September the previous year. Pensions commencing in the 12 months preceding 6 April 2015 have received an increase based on the 1.2 percent pro-rated for the length of time the pension has been in payment to 6 April 2015.

The pension increases referred to above do not apply to that element of the pensions in payment representing any Guaranteed Minimum Pensions (GMP), which the scheme is required to provide as a consequence of contracting out of the State pension arrangements for the LGPS, as these increases are provided by the State.

GMPs relate to service accrued from April 1978 to April 1997, when contracting out arrangements were changed and GMP ceased to apply.

GMP earned between April 1988 and April 1997 is increased by the Scheme in line with inflation, as required by legislation, up to a maximum of 3 percent per annum. There is no increase paid by the scheme for GMP earned between April 1978 and April 1988. Increases in relation to the GMP for this period are calculated and paid by the Government with increases in the state pension.

All increases were in accordance the LGPS regulations or legislative requirements.

Other matters

The Fund continues to support its employers by co-ordinating the provision of FRS17 and IAS 19 accounting reports from the actuary, so that they can meet their obligations to show their pension liabilities relative to their pension assets in their annual accounts.

8. Investment report

Funding policy

The basic objective of LGPS pension fund investment is to minimise the level of contributions paid into the Fund by employer bodies to ensure its solvency. Therefore, investment strategy is necessarily intrinsically linked with funding policy.

All LGPS funds are required to publish a document called a "Funding Strategy Statement" (FSS). The Wiltshire FSS was updated in connection with the 2013 triennial valuation and can be supplied upon request or viewed at:-

www.wiltshirepensionfund.org.uk/funding-strategy-2013.pdf

The former Office of the Deputy Prime Minister (ODPM) defined the purpose of the FSS as being:

- a) *"To establish a clear and transparent fund-specific strategy which will identify how employers' pension liabilities are best met going forward;*
- b) *to support the regulatory framework to maintain as nearly constant employer contribution rates as possible; and*
- c) *to take a prudent longer-term view of funding those liabilities."*

However, as CIPFA has noted in its guidance on the FSS, "there will be conflicting objectives which need to be balanced and reconciled". For example, for most employers objective a) implies low contribution rates, because they would see pension liabilities being "best met" by gaining as much help as possible from the investment strategy over the long term, which would lead you towards an equity-biased investment strategy. By contrast, objectives b) and c) imply stability and prudence of employer contribution rates, which would lead you towards a bond biased investment strategy.

Therefore, the best that can be achieved is a sensible balance between low and stable employer contributions over the long term, accepting that triennial valuations are likely to lead to greater volatility if higher equity investment strategies are in place.

Investment goal

The Wiltshire Pension Fund's investment objective is to achieve a relatively stable "real" return above the rate of inflation over the long term, in such a way as to minimise and stabilise the level of contributions required to be paid into the Fund by employer bodies in respect of both past and future service liabilities.

Investment strategy

The Wiltshire Pension Fund Committee has put in place a strategy to achieve this goal through use of the following elements:

- a) a relatively large allocation to equity investment to achieve higher returns;
- b) allocations to more diversified and less correlated asset classes such as bonds, property, infrastructure and absolute return products to achieve stabilisation; and
- c) the achievement of some "alpha" (manager) returns independently of "beta" (market) returns, through high alpha equity strategies.

All Local Government Pension Scheme (LGPS) funds have to produce, consult on and publish a Statement of Investment Principles (SIP) – the latest Wiltshire Fund's SIP can be supplied upon request or viewed at :- www.wiltshirepensionfund.org.uk/investment-principles

Investment powers

These are set out in the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009, which provide wide investment powers, subject to certain restrictions. The current limits are as follows

- a) No more than 10% deposited with a single bank (other than the National Savings Bank).
- b) No more than 15% invested in unlisted securities.
- c) No more than 10% in a single holding (except unit trusts).
- d) No more than 35% in unit trusts or other collective investment schemes managed by any one body.
- e) No more than 35% in a single insurance contract.

Regulations further state that administering authorities must obtain and consider proper advice on their investments, and formulate their investment policy with a view to:

- a) the advisability of investing fund money in a wide variety of investments;
- b) the suitability of particular investments and types of investments; and
- c) the extent to which the administering authority complies with the revised six Myners principles for pension fund investment, scheme governance, disclosure and consultation. These principles have been adopted by CLG (the central government department with responsibility for oversight of the LGPS) and replaces the ten Myners principles published in 2001.

Strategic asset allocation

The Committee regularly reviews the Fund's investment management arrangements. In broad terms, at 31 March 2015 the Fund's strategic allocation was to be invested 60% in Equities, 15.5% in Bonds, 13% in Property and 11.5% in Alternatives. More details are given in the section below summarising the Fund's investment management arrangements.

Risk control

The Committee believes that risk control is primarily achieved by the Fund's strategic asset allocation, and this has been taken into account in setting its overall investment strategy.

Environmental social governance policy

The Fund seeks to use its position as a shareholder to actively encourage good corporate governance practice in those companies in which it invests. It does this by contracting to Pensions & Investment Research Consultants Limited (PIRC) who provide a global proxy service for the Fund using PIRC Shareholder Voting Guidelines that are approved by the Fund. The Fund receives proxy research and voting recommendations for each company AGM and EGM holding the Fund has that can be voted.

It is also a member of the Local Authorities Pension Fund Forum (LAPFF), to enable it to act collectively with other local authorities on corporate governance issues. The Forum currently has 64 member funds with assets of more than £160 billion.

The Fund expects its investment managers, to take account of social, environmental and ethical considerations in the selection, retention and realisation of investments as an integral part of the normal investment research and analysis process. This is insofar as these matters are regarded as impacting on the current and future valuations of individual investments. The Fund believes taking account of such considerations forms part of the investment managers' normal fiduciary duty.

As such, the Fund has a commitment to ensuring that companies in which it invests adopt a responsible attitude toward the environment, and adopt high ethical standards. Generally, such companies are expected to behave in a socially responsible manner by taking account of the interests of all stakeholders.

The Fund seeks to achieve this objective by raising issues with companies in which it invests, to raise standards in a way that is consistent with long term shareholder value. Again, the Fund primarily uses its membership of LAPFF to affect this policy.

The introduction of the Stewardship Code in July 2010 by the Financial Reporting Council strongly encouraged best practice in respect of investor engagement. The expectation is that

institutional investors should publish a statement in respect of their adherence to the code. Compliance with the Code is currently on a voluntary basis. The Wiltshire Pension Fund published its statement of compliance with the code during 2011 and it is reviewed annually. All of our global equity managers comply fully with the code.

Investment management arrangements

In the summer of 2011 a review of the current investment arrangements was commenced in light of investment managers' performance. Key themes surrounding asset allocation were considered including return generation, inflation protection, nimbleness and illiquidity/Cashflow management. The strategic asset allocation of the Fund changed a little as a result however a number of new manager searches followed from the review.

The Committee resolved:

- an aspiration to move the Fund's equities split to 30% UK/70% overseas as opportunities arise from changes in the equities mandates;
- to remove the 12.5% limit for new investment mandates and to set a limit of 20% for a single active manager and 30% for a passive manager;
- to implement a dynamic currency hedging programme;
- to make a strategic allocation of 10% to an Absolute Return Fund Mandate;
- to make a strategic allocation of 5% to an Infrastructure manager;
- to make a strategic allocation of 5% to a global equities passive 'fundamental' index product;
- to hold a passive global equities allocation of 10% on a temporary basis;

These changes were implemented during 2012/13.

At the February/June 2013 Committee meetings further changes were made to the strategic allocation moving forward. Steps have now been taken to put these in place.

At the February/June 2013 meeting the Committee resolved:

- to terminate the Edinburgh Partners mandate (7.5% of the Funds assets and place these assets in the Fundamental Indexation mandate (with L&G);
- to agree a strategic allocation of 10% to an Emerging market Equity/Debt product for the funds placed temporarily with Legal & General (Passive Global Equities) and for officers to commence the appropriate procurement process to enable a suitable manager to be appointed by the Committee;
- to terminate the Jubilee Advisers (formerly Fauchier Partners) mandate (5% of the Fund's assets) and place these assets temporarily with Legal & General (Passive Global Equities) mandate; and
- to agree up to a 5% initial allocation for the purpose of Opportunistic Investing.

The assets from the Edinburgh Partners mandate were transitioned across to the Legal & General Fundamental Indexation mandate. The Committee approved on 24 January 2014 the appointment of Investec to manage 10% of the Fund's assets in the Emerging Market Multi-Asset Strategy. The initial investment took place in Quarter 2 2014. The Jubilee Advisers investment is retained until Investec are fully funded which is due to be completed July 2015. The reason was to use the Jubilee Advisors mandate to fund the Investec mandate to avoid duplication on transition charges.

At the Committee meeting on 17th July 2014 officers presented concerns as to whether the bond mandate in its current form would provide sufficient ongoing returns because of historical low bond yields and their sensitivities to interest rates which could rise in the next 12 to 24 months. To address this, Mercer recommended expanding the bond mandate from traditional corporate credit to Multi Asset Credit (MAC) and Absolute Return Bonds (ARB). A procurement exercise followed and a shortlist of managers presented to the Committee on 3 December 2014. Loomis Sayles was appointed at that meeting to manage two mandates; MAC and ARB with a strategic allocation of 5.25% each. Assets were transitioned from Western Asset Management during March 2015.

This means the Fund's asset allocation is as follows:

ASSET ALLOCATION

Moving Forward

Equities:

Long-Only

UK*	12.5%
Overseas (Global)**	27.5%
Absolute Return (Lower Volatility)	10.0%
Emerging Market Multi Asset	10.0%

60.0%

Bonds

15.5%

Property

13.0%

Alternatives:

Infrastructure

5.0%

M&G Financing Fund

1.5%

Opportunistic Investment

5.0%

11.5%

100.0%

* (sits at approximately 14.6% if including the UK element of the global mandates)

** (includes active and fundamental indexation)

The allocation of mandates to managers is as follows:

MANAGER/MANDATE ALLOCATION

Moving Forward

Baillie Gifford

Global Equities	15.0%
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Legal & General

Passive UK Equities	12.5%
Passive Global Equities*	0.0%
Passive Fundamental Equities	12.5%
Passive Index-Linked Bonds (UK)	5.0%

Barings

Absolute Return Fund	10.0%
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Loomis Sayles

Multi Asset Credit	5.25%
Absolute Return Bonds	5.25%

Investec

Emerging Market Multi Asset Mandate	10.0%
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CBRE Global Multi Manager

Property Fund of Funds (UK & Europe)	13.0%
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Partners Group

Infrastructure	5.0%
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M&G Investment Management

UK Companies Financing Fund	1.5%
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Opportunistic Investment*

5.0%

100.0%

*"Opportunistic" allocation held with L&G global equities until invested

Investment as at 31 March 2015

During the year, the managers transacted purchases of £940.3 million (£911.9m 31 March 2014) and sales of £945.4 million (£897.9m 31 March 2014). The value of assets under management at 31 March 2015 was £1,837.4 million (£1,631.4m 31 March 2014), broken down by managers as follows:

Legal & General	£719.3 million*
Baillie Gifford	£322.0 million
Western Asset Management	£3.6 million
CBRE Global Multi Manager	£210.0 million
Barings Asset Management	£197.4 million
Loomis Sayles	£197.8 million
Jubilee Advisors (Formerly Fauchier Partners)	£22.8 million
M&G Financing Fund	£11.8 million
Berenberg Bank	£4.3 million
Partners Group	£10.5 million
Investec	£137.9 million
	£1,837.4 million

* This temporarily exceeds the Fund's own limit of 30% for a single passive manager due to the opportunistic allocation being held here.

The Council participates in a securities lending programme administered by BNY Mellon. Securities in the beneficial ownership of the Council to a value of £17.5 million (0.96% of the total) were on loan at 31 March 2015. Collateral for these securities is held in a pooled form, the Wiltshire Pension Fund's share (0.04%) representing a value of £18.8 million (107.04%). Income earned from this programme amounted to £0.048 million in the year.

Investment markets

Strong economic growth at the start of the 12 month period slowed somewhat over the second half of the accounting year, and the sharp fall in commodity prices led to increased market volatility.

Both growth and defensive assets delivered positive returns over the 12 month period to 31 March 2015 with many of the world's central banks continuing to ease monetary policy, which supported asset returns.

In the UK, economic growth remained strong throughout the year, with the Office for National Statistics revising the real GDP growth rate for 2014 from 2.6% to 2.8%, the fastest calendar year growth rate since 2006. The annual inflation rate fell to zero in February 2015.

Whilst economic growth in the UK has been strong, growth was strongest in the US which led to a US Dollar rally against Sterling and most other currencies. Sterling, however, appreciated against the Euro and the Japanese Yen.

Emerging market assets underperformed their developed counterparts as falling commodity

prices led to, concerns regarding slowing growth, and the rising US dollar affected a number of countries in this region significantly.

Generally the outlook for the markets remains uncertain, in particularly with the unfolding issues in Greece and the impact on the Euro zone and the Euro. This position will be carefully monitored and fed into the Fund's future asset allocation reviews.

Fee structures

The Committee generally expects to have an ad-valorem fee scale applied in respect of the investment management services it receives. This is generally accepted practice and is easily understood. A performance related fee basis is sometimes set, if it is believed to be in the overall financial interests of the Fund. For investment advisory services, the fee for specified services is set as agreed by the South West Framework Contract or at agreed hourly rates.

Other matters

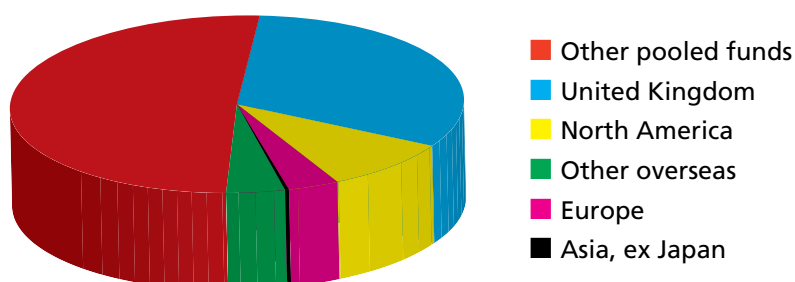
A Commission Recapture programme was introduced in 2003-04, whereby an element of the commission that is paid to brokers on stock market transactions is recovered.

Distribution of investments

Analysis of investments as at 31 March 2015

Geographical analysis	£000	% of Fund total
United Kingdom	586,012	31.9
North America	169,711	9.2
Europe	65,776	3.6
Asia, ex Japan	7,642	0.4
Other overseas	73,045	4.0
Other Pooled Funds	935,211	50.9
	1,837,397	100.0

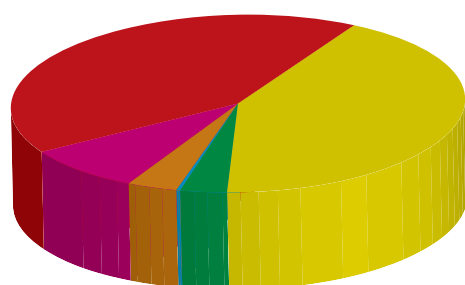
Investment by region/country



Analysis of investments as at 31 March 2014

Geographical analysis	£000	% of Fund total
United Kingdom	689,596	42.2
North America	140,250	8.6
Europe	59,765	3.7
Asia, ex Japan	5,127	0.3
Other overseas	54,970	3.4
Other Pooled Funds	681,743	41.8
	1,631,451	100.0

Investment by region/country

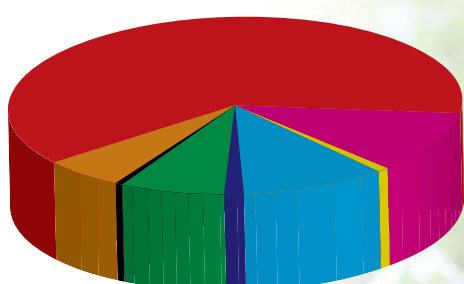


- United Kingdom
- Other pooled funds
- North America
- Europe
- Other overseas
- Asia, ex Japan

Analysis of investments by sector as at 31 March 2015

Sector analysis	£000	% of Fund total
Equities	1,148,295	62.5
Global Fixed Income	201,386	11.0
Cash and derivatives	14,283	0.8
Property	191,695	10.4
Long-short hedge fund	22,839	1.2
Emerging market	137,892	7.5
Infrastructure	10,535	0.6
Index linked bonds	110,472	6.0
	1,837,397	100.0

Investment by region/country

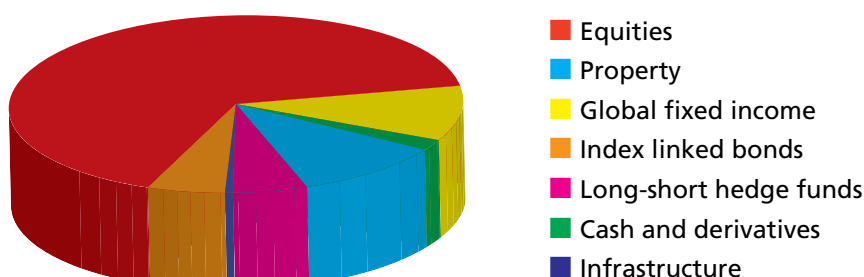


- Equities
- Global fixed income
- Property
- Emerging market
- Index linked bonds
- Long-short hedge fund
- Cash and derivatives
- Infrastructure

Analysis of investments by sector as at 31 March 2014

Geographical analysis	£000	% of Fund total
Equities	1,081,380	66.2
Global Fixed Income	164,262	10.1
Cash and derivatives	31,090	1.9
Property	170,936	10.5
Long-short hedge fund	86,138	5.3
Infrastructure	5,627	0.4
Index linked bonds	92,018	5.6
	1,631,451	100.0

Investment by region/country



Twenty largest holdings at 31 March 2015

	£000	% of Fund total
1 Legal & General Equity Index Fund	242,102	13.18
2 Barings Alpha Funds - Dynamic Asset Allocation Fund	197,431	10.75
3 Investec - Emerging Markets	137,892	7.50
4 Legal & General World Equity Index	106,920	5.82
5 Loomis Sayles World Credit Fund	100,816	5.49
6 Loomis Sayles Alpha Bond Fund	100,570	5.47
7 Amazon Com Inc Com	29,144	1.59
8 Tencent Holdings Ltd	28,529	1.55
9 Illumina Inc	24,757	1.35
10 Baidu Inc	23,618	1.29
11 Facebook Inc	19,038	1.04
12 Schroders GBP	17,672	0.96
13 Industrial Property Investment Fund	16,419	0.89
14 Inditex	15,466	0.84
15 Google Inc	15,421	0.84
16 Blackrock UK Property Fund	15,079	0.82
17 Intuitive Surgical Inc	12,948	0.70
18 West End of London Property	12,822	0.70
19 Henderson UK Shopping Centre	12,645	0.69
20 Ardstone UK Regional Office	12,274	0.67
	1,141,563	62.14

Twenty largest holdings at 31 March 2014

	£000	% of Fund total
1 Legal & General Equity Index Fund	226,922	13.91
2 Barings Alpha Funds - Dynamic Asset Allocation Fund	181,139	11.10
3 Legal & General World Equity Index	179,435	11.00
4 Jubilee Absolute Equity Fund	86,138	5.28
5 Tencent Holdings Ltd	22,302	1.37
6 Amazon Com Inc Com	20,432	1.25
7 Baidu Inc.	18,503	1.13
8 M&G Secured Property Income Fund	17,507	1.07
9 Google Inc	16,546	1.01
10 Illumina Inc	16,466	1.01
11 Blackrock UK Property Fund	13,573	0.83
12 Industrial Property Investment Fund	13,029	0.80
13 Industria De Diseno Textil	12,859	0.79
14 Schroders GBP	11,796	0.72
15 Henderson UK Shopping Centre	11,727	0.72
16 Kering	10,677	0.65
17 Standard Life Investment Retail Park Trust	10,606	0.65
18 Prudential/M&G Companies Financing Fund	10,171	0.62
19 Lend Lease Retail Partnership	10,034	0.62
20 Intuitive Surgical Inc.	9,998	0.61
	899,860	55.14

Investment Performance

The following table shows the performance of the Fund (gross of fees) relative to its strategic benchmark and the WM Local Authority Average.

WM Performance Ranking Against Peer Group - 31st March 2015			
	1 Year	3 Years	5 Years
Ranking (percentile)	26	28	36
Average % of returns	14.0%	11.8%	9.3%
Benchmark	13.2%	11.1%	8.8%

9. Financial Performance

Movement in Assets and Liabilities

The Funding level (i.e. the ratio of assets to liabilities) at 31 March 2013 (last valuation) was 71%. Hymans Robertson currently estimated the funding level at 31 March 2015 to be 74% based on current market conditions. This is on a 'roll-forward' basis and does not account for changes in member data.

Gilt yields have fallen further since 31 March 2013 offsetting asset returns increasing the deficit by £32m, from £610m to £642m.

Analytical Review

The following tables show a brief review of key movements in the Fund Account and Net Asset Statement for the financial year.

Major movements in Fund Account and the Net Assets Statement for the financial year

Fund Account	2014/15 £000	2013/14 £000	Notes
Net Contributions	-18,002	572	Large Bulk transfer out
Return on Investments	232,553	152,188	Strong year for growth assets
Net increase in the Fund	214,551	152,760	

Net Asset Statement	2014/15 £000	2013/14 £000	Notes
Fixed Interest	0	163,143	Change in Fixed Income Manager now held as a pooled fund
Indexed-linked	0	933	Change in Fixed Income Manager now held as a pooled fund
Equities	342,126	267,461	Capital appreciation and good stock selection by manager
Pooled Funds	1,289,293	997,888	Additional Fixed Income Mandate funded during the year
Property	191,695	170,936	Positive Returns
Derivatives	-1,531	1,583	Value of currency contracts in place by dynamic currency manager
Cash	15,383	26,042	
Other	431	3,465	
Total Net Investments	1,837,397	1,631,451	

Analysis of Pension Contributions

The table below shows the value of contributions received on time and late.

	Total £000	On time £000	%	Late £000	%
Employee	19,291	18,981	98.4	310	1.6
Employer	66,237	65,395	98.7	842	1.3
Total	85,528	84,376	98.7	1,152	1.3

In total 56 monthly contribution payments were received late of which 47 were received within the month, 6 received between 1 and 3 months late and 3 received more than 3 months late.

No interest was charged on any of the late payments.

Forecasts

The following table shows the forecast and outturn for the Fund Account and Net Asset Statement for the 3 years to 31 March 2016.

Fund Account	2013/14		2014/15		2015/16
	Forecast £000	Actual £000	Forecast £000	Actual £000	Forecast £000
Contributions	75,000	82,030	78,000	87,314	88,187
Payments	- 74,102	- 81,458	- 83,657	- 105,316	- 86,947
Admin expenses	- 1,582	- 1,509	- 1,685	- 1,594	- 1,739
Net investment income	20,000	18,377	20,000	21,443	20,000
Investment expenses	- 4,164	- 3,170	- 5,411	- 5,518	- 5,451
Change in market value	150,716	136,981	124,916	211,110	224,186
Net increase in the Fund	165,868	151,251	132,163	207,439	238,236

Contributions and payments are based on current expectations, the administration and investment management expenses are based on current budgets; and the net investment income and change in market value are based on the long term forecast returns for each asset class.

Net Asset Statement	2013/14		2014/15		2015/16
	Forecast £000	Actual £000	Forecast £000	Actual £000	Forecast £000
Equities	1,046,687	1,081,380	1,160,321	1,148,295	1,232,121
Fixed income	268,581	256,280	268,581	311,858	326,827
Cash	29,958	26,042	26,172	15,383	15,460
Property	180,337	170,936	180,337	191,695	202,238
Alternatives	88,337	94,414	102,911	172,437	187,956
Other	15,699	16,112	16,193	12,935	14,099
Total Investment Assets	1,629,599	1,645,164	1,754,515	1,852,603	1,978,701

The forecasts for total investment assets are based on the actual figures for 2012/13 multiplied by the forecast long term returns for each asset used at the last strategic asset allocation review in 2011. Net contributions less expenses are added to the cash figure to reflect new money into the Fund. No future changes in asset allocation have been taken into account as these are not known with any degree of certainty.

The long term asset return forecasts for each asset class are as follows:

Asset Class	Long term forecast return (%)
Equities	7.3%
Fixed income	4.8%
Cash	0.1%
Property	5.5%
Alternatives	9.0%
Total	6.9%

Operational Expenses

	2013/14		2014/15		2015/16
	Budget	Actual	Budget	Actual	Budget
	£000	£000	£000	£000	£000
Fund Investment					
Investment Management Fees	5,967	4,861	6,739	6,096	7,378
Investment Administration Recharge	90	95	106	106	108
Investment Custodial & Related Services	58	38	75	13	56
Investment Professional Fees	224	111	136	122	153
Corporate Governance Services	52	52	38	38	39
Performance Measurement	41	41	47	40	46
Investment Administration Costs	465	337	402	319	402
Scheme Administration					
Pension Scheme Administration Recharge	1,280	1,158	1,436	1,250	1,459
Actuarial Services	149	239	106	64	111
Audit	57	40	58	54	58
Legal Fees	25	27	20	28	20
Committee and Governance Recharge	48	32	49	40	82
Scheme Administration Costs	1,559	1,496	1,669	1,436	1,730
Grand Total (Exc Invest Man Fees)	2,024	1,833	2,071	1,755	2,132
Grand Total (Inc Invest Man Fees)	7,991	6,694	8,810	7,851	9,510

Cashflow

Officers continue to monitor the cashflow position of the Fund to ensure sufficient resources are available to pay benefits as they fall due. The position for 2014/15 is shown below:

	Year ended 31 March 2015 £m
Receipts	82.1
Payments	(80.5)
Surplus / (deficit)	1.6
Funds sent to Investment Managers	1.0

This shows that excluding investment income, cashflow is broadly neutral for the year. This will be closely monitored as employer rates will increase again from 1 April 2015.

Analysis of Pension Overpayments

The table below shows an analysis of the pension benefits overpaid and recovered. These mainly relate to overpayment of pensioners between the date of their death and notification.

	2014/15 £000	2013/14 £000
Overpayments recovered	27,512	14,343
Overpayments not recovered	9,439	6,677
Total	36,951	21,020
Annual payroll	62,118,085	59,387,565
Write offs as a % of payroll	0.02%	0.01%
Number of cases - not recovered	140	106
Number of cases - recovered	33	24
Number of cases - in process of recovery	13	0

10. Actuarial position

This statement has been prepared in accordance with Regulation 57(1)(d) of the Local Government Pension Scheme (Administration) Regulations 2013, and chapter 6 of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the UK 2014/15.

Description of Funding Policy

The funding policy is set out in the latest Wiltshire Council Funding Strategy Statement (FSS). In summary, the key funding principles are as follows:

- to ensure the long-term solvency of the Fund, using a prudent long term view. This will ensure that sufficient funds are available to meet all members' /dependants' benefits as they fall due for payment;
- to ensure that employer contribution rates are reasonably stable where appropriate;
- to minimise the long-term cash contributions which employers need to pay to the Fund, by recognising the link between assets and liabilities and adopting an investment strategy which balances risk and return (NB this will also minimise the costs to be borne by Council Tax payers)
- to reflect the different characteristics of different employers in determining contribution rates. This involves the Fund having a clear and transparent funding strategy to demonstrate how each employer can best meet its own liabilities over future years; and
- to use reasonable measures to reduce the risk to other employers and ultimately to the Council Tax payer from an employer defaulting on its pension obligations.

The FSS sets out how the administering Authority seeks to balance the conflicting aims of securing the solvency of the Fund and keeping employer contributions stable.

For employers whose covenant was considered by the Administering Authority to be sufficiently strong, contributions have been stabilised. Asset-liability modelling has been carried out which demonstrate that if these contribution rates are paid and future contribution changes are constrained as set out in the FSS, there is still a better than 2 in 3 chance that the Fund will return to full funding over 20 years.

Funding Position as at the last formal valuation

The most recent actuarial valuation carried out under Regulation 36 of the Local Government Pension Scheme (Administration) Regulations 2008 was as at 31 March 2013. This valuation revealed that the Fund's assets, which at 31 March 2013 were valued at £1,484 million, were sufficient to meet 71% of the liabilities (i.e. the present value of promised retirement benefits) accrued up to that date. The resulting deficit at the 2013 valuation was £610 million.

Individual employers' contributions for the period 1 April 2014 to 31 March 2017 were set in accordance with the Fund's funding policy as set out in its FSS.

Principal Actuarial Assumptions and Methods used to value the liabilities

Full details of the methods and assumptions used are described in the actuary's report dated 31 March 2014.

Method

The liabilities were assessed using an accrued benefits method which takes into account pensionable membership up to the valuation date, and makes an allowance for expected future salary growth to retirement or expected earlier date of leaving pensionable membership.

Assumptions

A market-related approach was taken to valuing the liabilities, for consistency with the valuation of the Fund assets at their market value.

The key financial assumptions adopted for the 2013 valuation were as follows:

Financial Assumptions	Rate at 31 March 2013	
	Nominal	Real
Discount rate	4.6%	2.1%
Pay increase	4.3%	1.8%
Price inflation/Pension increases	2.5%	0.0%

The key demographic assumption was the allowance made for longevity. The life expectancy assumptions are based on the Funds VitaCurves with improvements in line with the CMI_2010 model, assuming the current rate of improvements has reached a peak and will converge to a long term rate of 1.25%p.a. Based on these assumptions, the average future life expectancies at age 65 are as follows:

	Males	Females
Current Pensioners	22.3 years	24.5 years
Future Pensioners*	24.1 years	26.9 years

**currently aged 45*

Copies of the 2013 valuation report and Funding Strategy Statement are available on request from Wiltshire Council, the administering authority to the Fund.

Experience over the year since April 2013

Experience has been broadly as expected over the period to 31 March 2015 (excluding the effect of any membership movements). Real bond yields have fallen dramatically and the effect of this has been offset by the effect of strong asset returns, meaning that funding levels are likely to have marginally increased over this period.

The next actuarial valuation will be carried out as at 31 March 2016. The Funding Strategy statement will also be reviewed at that time.

Prepared by:-

Catherine McFadyen

20 June 2015

For and on behalf of Hymans Robertson LLP

11. Statement of Responsibilities for the Financial Statements

Responsibility for the Financial Statements, which form part of this Annual Report, is set out below.

Administration Authority

The Administering Authority is required to:

- Make arrangements for the proper administration of the financial affairs of the Pension Fund and to secure that an officer has the responsibility for those affairs. In this Authority, that officer is the Head of Finance.
- Prepare, approve and publish a statement in accordance with the Accounts and Audit Regulations 2011.

Associate Director of Finance

The Associate Director of Finance is responsible for the preparation of the Fund's financial statements, which in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, based on International Reporting Standards (the Code), are required to present a true and fair view of the financial position of the Fund for the year ended 31 March 2015. This report includes the financial statements for the Pension Fund only.

In preparing these financial statements, the Associate Director of Finance has:

- Selected and applied consistently suitable accounting policies;
- Made judgements and estimates that are reasonable and prudent;
- Complied with the Code of Practice;
- Ensured proper accounting records are maintained;
- Ensured systems of internal control are in place.

Certificate

I hereby certify that the following Annual Report and Accounts give a true and fair view of the financial position of the Wiltshire Pension Fund for the financial year ending 31 March 2015.

Michael Hudson

Associate Director of Finance

Wiltshire Pension Fund

29th July 2015

12. Audit opinion

Independent auditor's report to the members of Wiltshire Council on the pension fund financial statements published with the Pension Fund Annual Report

We have examined the pension fund financial statements for the year ended 31 March 2015 on pages 58 to 80.

Respective responsibilities of the Associate Director of Finance and the auditor

As explained more fully in the Statement of Responsibilities the Associate Director of Finance is responsible for the preparation of the pension fund financial statements in accordance with applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

Our responsibility is to report to you our opinion on the consistency of the pension fund financial statements included in the Pension Fund Annual Report with the pension fund financial statements included in the annual published statement of accounts of Wiltshire Council, and their compliance with applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

In addition, we read the information given in the Pension Fund Annual Report to identify material inconsistencies with the pension fund financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Our report on the administering authority's annual published statement of accounts describes the basis of our opinion on those financial statements.

Opinion

In our opinion, the pension fund financial statements are consistent with the pension fund financial statements included in the annual published statement of accounts of Wiltshire Council for the year ended 31 March 2015 and comply with applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

We have not considered the effects of any events between the date we signed our report on the full annual published statement of accounts on 29 July 2015 and the date of this report.

Matters on which we are required to report by exception

The Code of Audit Practice for Local Government Bodies 2010 requires us to report to you if:

- the information given in the Pension Fund Annual Report for the financial year for which the financial statements are prepared is not consistent with the financial statements; or
- any matters relating to the pension fund have been reported in the public interest under section 8 of Audit Commission Act 1998 in the course of, or at the conclusion of, the audit.

We have nothing to report in respect of these matters.



Darren Gilbert

For and on behalf of KPMG LLP,

Appointed Auditor

Chartered Accountants, 100 Temple Street, Bristol, BS1 6AG

21 September 2015

13. Statement of accounts

Fund Account

For the year ended 31 March 2015

	Notes	2014-15 £000	2013-14 £000
Contributions and benefits			
Contributions receivable	5	85,529	79,128
Individual transfers		1,785	2,902
		87,314	82,030
Benefits payable	6	-74,067	-76,669
Payments to and on account of leavers	7	-31,249	-4,789
		-105,316	-81,458
Management Expenses	8 & 12	-7,112	-4,679
		-25,114	-4,107
Returns on investments			
Investment income	9	21,443	18,377
Change in market value of investments	11	211,110	136,981
Net returns on investments		232,553	155,358
Net increase in the fund during the year		207,439	151,251
Add opening net assets of the funds restated		1,645,164	1,493,913
Closing net assets of the scheme		1,852,603	1,645,164

Net Asset Statement

At 31 March 2015

	Notes	31-Mar-15 £000	31-Mar-14 £000
Investment assets			
	11		
Fixed interest securities		0	163,143
Index linked securities		0	933
Equities		342,126	267,461
Pooled investment vehicles		1,289,293	997,888
Property		191,695	170,936
Derivative assets		1,171	2,649
Cash held on deposit		15,383	26,042
Other investment balances		431	3,465
		1,840,099	1,632,517
Investment liabilities			
	11		
Derivatives liabilities		-2,702	-1,066
Total net investments		1,837,397	1,631,451
Current assets	13	18,912	18,150
Current liabilities	14	-3,706	-4,437
Net assets of the scheme at 31 March		1,852,603	1,645,164

The accounts summarise the transactions of the Fund and deal with the net assets at the disposal of Wiltshire Council. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Fund year. The actuarial position of the Fund, which does take account of such obligations, is dealt with in the actuarial statements and these accounts should be read in conjunction with these.

Notes

Forming part of the accounts

1. Basis of preparation

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014/2015 which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector.

IAS26 requires the actuarial present value of promised benefits to be disclosed. A separate report has been prepared by Hymans Robertson and is enclosed below after note 19. The Chancellor's budget statement on 22 June 2010 declared that future pension increases should be linked to the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI). The report after note 19 has been prepared on the CPI basis.

The accounts have been prepared on an accruals basis except where otherwise stated, i.e. income and expenditure is accounted for as it is earned or incurred, rather than as it is received and paid.

2. Accounting policies

The principal accounting policies of the Fund are as follows:

Contributions

Contributions are received from employer bodies in respect of their own and their pensionable employees' contributions. Employers' contributions (for both Normal and Deficit Funding) are prescribed in the Actuary's Rates and Adjustment Certificate following the review of the Fund's assets and liabilities during the triennial valuation. The Employees' contributions are included at the rates prescribed by the Local Government Pension Scheme Regulations.

Employer augmentation contributions are accounted for in accordance with the agreement under which they are being paid.

Benefits and refund of contributions

The benefits payable and refunds of contributions have been brought into account on the basis of all valid claims approved during the year.

Transfers to and from other schemes

No account is taken of liabilities to pay pensions and other benefits after the year end. Transfer values, which are those sums paid to, or received from, other pension schemes relating to previous periods of employment, have been brought into account on a cash basis.

Investment income

Dividends, interest and coupon receipts have been accounted for on an accruals basis. Income on pooled investments is accumulated and reflected in the valuation of units.

Valuation of investments

Investments are shown in the accounts at market value, determined on the following basis:

(i) Quoted securities

Quoted Securities have been valued at 31 March 2015 by the Fund's custodian using the bid price where a quotation was available on a recognised stock exchange or unlisted securities market.

(ii) Unquoted securities

Unquoted securities have been valued according to the latest trades, professional valuation, asset values or other appropriate financial information.

(iii) Pooled investment vehicles

Pooled investments are stated at bid price for funds with bid/offer spreads, or single price/net asset value where there are no bid/offer spreads, as provided by the investment manager.

(iv) Fixed interest stocks

Segregated fixed interest stocks are valued on a clean basis. Accrued income is accounted for within investment income.

(v) Derivative contracts

Derivatives are stated at market value. Exchange traded derivatives are stated at market values determined using quoted prices. For exchange traded derivative contracts which are assets, market value is based on quoted bid prices. For exchange traded derivative contracts which are liabilities, market value is based on quoted offer prices.

- Over the Counter (OTC) derivatives are stated at market value using pricing models and relevant market data as at the year end date.
- Forward foreign exchange contracts are valued by determining the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.
- All gains and losses arising on derivative contracts are reported within 'Change in Market Value'.

Reported changes in the market value of investments over the year of account include realised gains or losses arising upon the disposal of investments during the year.

Foreign currency translation

All investments held in foreign currencies are shown at market value translated into sterling using the WM 4PM rate on 31 March 2015.

Foreign currency transactions are accounted for on the basis of the equivalent sterling value of the underlying transactions, by applying the relevant exchange rate ruling at the time. Where overseas securities are acquired with currency either previously purchased directly or accruing from the sale of securities, the sterling book cost of the new security will be based on the exchange rate ruling at the time of the purchase of that security. Any profit or loss arising on currency transactions either realised or unrealised, will be reflected in the Net Asset Statement.

Investment management expenses

Investment management expenses are based on the quarter end market value of the investments held. The fees paid are determined by the agreed fee scales for each individual manager.

Acquisition costs of investments

Transaction costs are charged as part of investment management expenses. These include costs charged directly to the fund such as fees, commissions, stamp duty and other fees.

Administration expenses

A proportion of the relevant officers' salaries, salary on-costs and general overheads, have been charged to the Fund on the basis of time spent on Fund administration.

Taxation

The Fund is a registered pension scheme for tax purposes and as such is not liable for UK income tax on investment income, nor capital gains tax. As Wiltshire Council is the administering authority, VAT input tax is recoverable on all expenditure.

Income earned from investments in stocks and securities in the USA is exempt from US tax and is not subject to withholding tax. Most tax deducted from income on European investments is also recoverable.

Additional Voluntary Contributions (AVCs)

The accounts of the Fund in accordance with regulation 5 (2) (C) of the Pension Scheme (Management and Investment of Funds) Regulations 1998 do not include transactions in respect of AVCs. These are money purchase arrangements made by individual Fund members under the umbrella of the Local Government Pension Scheme, to enhance pension benefits.

3. Critical Judgement in Applying Accounting Policies

Pension Fund Liability

The pension fund liability is calculated every three years by the appointed actuary, with annual updates in the intervening years. The methodology used is in line with accepted guidelines and in accordance with IAS19. Assumptions underpinning the valuations are agreed with the actuary and are summarised in the actuarial position statement (on page 81). This estimate is subject to significant variances based on changes to the underlying assumptions.

4. Assumptions made about the Future and Other Major Sources of Estimation Uncertainty

The Statements of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the net asset statement at 31 March 2015 for which there is significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if actual results differ from assumptions
Debtors	At 31 March 2015, the fund had a balance of £18.9m for debtors (£4.8m relates to a long term debtor). A review of significant balances suggested that no impairment is currently necessary. However, in the current economic climate, it is not certain that all debts will be paid.	If collection rates deteriorate it may be necessary for an allowance to be included in the accounts for doubtful debts.
Hedge Fund of Funds	The fund of funds is valued at the sum of the fair values provided by the administrators of the underlying funds plus adjustments that the fund of funds directors or independent administrators judge necessary. These investments are not publicly listed and as such there is a degree of estimation involved in the valuation.	The total hedge fund of funds value in the financial statements is £22.8m. There is a risk that this investment may be under or overstated in the accounts. Using the volatility data provided by the Fund's investment advisor the fund of funds valuation may be over/understated by £1.9m.

5. Contributions receivable

	2014-15 £000	2013-14 £000
Employer		
- Normal	51,605	46,466
- Augmentation	868	3,513
- Deficit funding*	13,765	11,498
Members		
- Normal	19,047	17,404
- Additional contributions	244	247
	85,529	79,128

Analysis of contributions receivable

	2014-15 £000	2013-14 £000
<i>Contributions from employees (Including Additional Contributions)</i>		
- Wiltshire Council	8,224	7,396
- Other scheduled bodies	9,460	8,887
- Admitted bodies	1,608	1,368
	19,292	17,651
<i>Contributions from employers (Including Augmentations)</i>		
- Wiltshire Council	26,016	27,499
- Other scheduled bodies	32,725	27,841
- Admitted bodies	7,496	6,137
	66,237	61,477
Total contributions receivable	85,529	79,128

* Deficit funding contributions are being paid by the employer for the three years commencing from 1 April 2014 with a minimum specified in the Rates and Adjustment Certificate dated 31 March 2014 in order to improve the Fund's funding position. The recovery period at the last valuation over which the deficit funding is recovered is mainly 20 years for scheduled bodies and 14 years or the length of the employer's contract (whichever is the shorter) for admitted bodies.

6. Benefits payable

	2014-15 £000	2013-14 £000
Pensions	62,118	59,388
Commutation and lump sum retirement benefits	10,648	16,023
Lump sum death benefits	1,301	1,258
	74,067	76,669

Analysis of benefits payable

	2014-15 £000	2013-14 £000
<i>Pensions payable</i>		
- Wiltshire Council	34,225	32,187
- Other scheduled bodies	21,566	22,891
- Admitted bodies	6,327	4,310
	62,118	59,388

Retirement and Death grants payable

- Wiltshire Council	4,586	8,146
- Other scheduled bodies	5,609	7,719
- Admitted bodies	1,754	1,416
	11,949	17,281

Total benefits payable

	74,067	76,669
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7. Payments to and on account of leavers

	2014-15 £000	2013-14 £000
Individual transfers out to other schemes	3,961	4,775
Bulk transfers out to other schemes	27,167	0
Refunds to members leaving service	98	13
State Scheme Premiums	23	1
	31,249	4,789

8. Administrative expenses

	2014-15 £000	2013-14 £000
Administration costs	1,471	1,410
Investment management expenses	5,518	3,153
Oversight and governance	123	116
	7,112	4,679

Investment Management expenses includes £1.45m of performance-related fees paid to the fund's investment managers. Transaction costs of £198k (£277k 2013/14) have been incurred by the Fund and are included within the Fund Account.

9. Investment income

	2014-15 £000	2013-14 £000
<i>Quoted securities</i>		
- UK fixed interest bonds (coupon receipts)	10,183	7,759
- Overseas fixed interest bonds (coupon receipts)	259	369
- UK index linked bonds (coupon receipts)	0	13
- UK equities	138	421
- Overseas equities	1,177	1,938
<i>Pooled investment vehicles</i>		
- Overseas equities	0	94
- UK property	9,535	7,655
- Infrastructure	0	35
<i>Cash held on deposit</i>		
- Sterling cash	136	93
- Overseas cash	15	0
	21,443	18,377

10. Stock lending

The Council participates in a securities lending programme administered by BNY Mellon. Securities in the beneficial ownership of the Council to a value of £17.5 million (1.0% of the total) were on loan at 31 March 2015. Collateral for these securities is held in a pooled form, the Wiltshire Pension Fund's share (0.04%) representing a value of £18.8 million (107.0%). Income earned from this programme amounted to £0.048 million in the year.

	2014-15 £m	2013-14 £m
WC securities on loan	17.5	27.7
<i>(percentage of total)</i>	1.0%	1.7%
WC collateral share of pool	0.04%	0.14%
Value of WC pooled share	18.8	30.6
Percentage of securities on loan	107.0%	110.4%
Income earned in year	0.048	0.043

11. Investments

Reconciliation of investments held at beginning and end of year

	Value at 1 April 2014	Purchases at cost and derivative payments	Sales proceeds and derivative receipts	Change in market Value	Value at 31 March 2015
	£000	£000	£000	£000	£000
Fixed interest securities	163,143	25,298	-202,461	14,020	0
Index linked securities	933	3,904	-4,943	106	0
Equities	267,461	91,392	-85,347	68,620	342,126
Pooled funds					
- Other	997,888	428,559	-248,933	111,779	1,289,293
- Property	170,936	39,699	-38,288	19,348	191,695
Derivative assets					
- Futures	-49	1,445	-113	-1,283	0
- Options	0	0	0	0	0
- Forward FX	1,632	82,535	-86,723	1,025	-1,531
	1,601,944	672,832	-666,808	213,615	1,821,583
Cash deposits	26,042	267,445	-275,638	-2,466	15,383
Other Investment balances	3,465	0	-2,995	-39	431
	1,631,451	940,277	-945,441	211,110	1,837,397

	Value at 1 April 2013	Purchases at cost and derivative payments	Sales proceeds and derivative receipts	Change in market Value	Value at 31 March 2014
	£000	£000	£000	£000	£000
Fixed interest securities	162,030	42,762	-36,937	-4,712	163,143
Index linked securities	2,435	5,922	-7,471	47	933
Equities	236,695	280,879	-296,643	46,530	267,461
Pooled funds					
- Other	895,984	184,123	-146,934	64,715	997,888
- Property	149,468	35,921	-23,785	9,332	170,936
Derivative assets					
- Futures	-386	347	-703	693	-49
- Options	0	0	0	0	0
- Forward FX	944	64,808	-91,298	27,178	1,632
	1,447,170	614,762	-603,771	143,783	1,601,944
Cash deposits	29,809	297,106	-294,086	-6,787	26,042
Other Investment balance	3,509	0	-29	-15	3,465
	1,480,488	911,868	-897,886	136,981	1,631,451

The PRAG guidance, Accounting for Derivatives in Pension Schemes, recommends that derivatives are set out separately in the investment reconciliation table for reasons of clarity and are reconciled on a 'net' basis as opposed to 'gross' as reported in the Net Assets Statement.

Transaction costs have been debited through the Fund Account and have been disclosed as part of the Investment Management Expenses. Costs are also borne by the Fund in relation to transactions in pooled investment vehicles.

Details of investments held at year end

	31 March 2015 £000	31 March 2014 £000
Investment assets		
<i>Fixed interest securities</i>		
- UK fixed interest government bonds	0	7,131
- UK fixed interest corporate bonds	0	146,856
- Overseas fixed interest government bonds	0	5,026
- Overseas fixed interest corporate bonds	0	2,378
- Emerging markets government bonds	0	1,752
	0	163,143
<i>Index linked securities</i>		
- UK index linked corporate bonds	0	933
	0	933
<i>Equities</i>		
- UK equities	36,739	23,865
- Overseas equities	305,387	243,596
	342,126	267,461
<i>Pooled investment vehicles</i>		
- UK equities	242,103	226,922
- Overseas equities	564,066	586,997
- Global fixed income	201,386	0
- Overseas fixed interest government bonds	0	169
- Overseas fixed interest corporate bonds	0	950
- UK index linked government bonds	110,472	91,085
- Property	191,695	170,936
- Emerging Market Debt	67,981	0
- Emerging Market Equities	69,911	0
- Long-short hedge fund	22,839	86,138
- Infrastructure	10,535	5,627
	1,480,988	1,168,824
<i>Cash held on deposit</i>		
- Sterling cash	15,132	25,427
- Overseas cash	251	615
	15,383	26,042
<i>Other investment balances</i>		
- Derivatives assets	1,171	2,649
- Outstanding dividend entitlements	10	3,162
- Recoverable tax	421	303
	1,602	6,114
<i>Investment liabilities</i>		
- Derivatives liabilities	-2,702	-1,066
Total of investments held	1,837,397	1,631,451
<i>Net current assets & liabilities</i>		
Current assets	18,912	18,150
Current liabilities	-3,706	-4,437
Total net current assets	15,206	13,713
	1,852,603	1,645,164

Analysis of fund Assets as at 31 March 2015

	UK £000	Non-UK £000	Global £000	Total £000
Equities	278,842	869,453	0	1,148,295
Bonds	110,472	201,386	0	311,858
Properties (direct holdings)	0	0	0	0
Alternatives	0	0	361,861	361,861
Cash	15,132	251	0	15,383
Total	404,446	1,071,090	361,861	1,837,397

Analysis of investment income accrued during 2014 - 2015

	UK £000	Non-UK £000	Global £000	Total £000
Equities	0	0	-118	-118
Bonds	-2,767	-283	-104	-3,154
Properties (direct holdings)	0	0	0	0
Alternatives	203	0	35	238
Cash	2	0	0	2
Total	-2,562	-283	-187	-3,032

Derivative contracts

Objectives and policies

The Wiltshire Pension Fund committee have authorised the use of derivatives by their investment managers as part of the investment strategy for the Fund.

The main objective for the use of key classes of derivatives and the policies followed during the year are summarised as follows:

Options – The Fund allows its managers to invest in options as part of their portfolio construction to assist them in achieving performance targets. These options are limited to 'Over-the-Counter' contracts purchased on major exchanges and must not exceed specified limits. Option exposures are limited and hedged through the use of futures.

Futures – The Fund allows a number of its managers to invest in futures, within specified exposure limits, as part of their overall portfolio construction to assist them in achieving performance targets.

Forward foreign exchange – In order to maintain an appropriate diversification of investments within the Fund and take advantage of overseas investment returns a proportion of the investment portfolio is invested overseas. To balance the risk of investing in foreign currencies a dynamic currency hedging programme, using forward foreign contracts, is in place to reduce the currency exposure of the overseas investments. The overseas equity investments are hedged this way.

The Fund had the following derivative contracts outstanding at the year end relating to its fixed interest investment and dynamic currency mandate. The details are:

Forward cash currency contracts

Contract	Settlement date	Currency bought	Currency sold	Asset value at year end £000	Liability at year end £000
Forward OTC	0 to 6 months	Sterling	Australian Dollar	11	
Forward OTC	0 to 6 months	Sterling	Brazil Real		(18)
Forward OTC	0 to 6 months	Sterling	Canadian Dollar		(44)
Forward OTC	0 to 6 months	Sterling	Chilean Peso		(3)
Forward OTC	0 to 6 months	Danish Krone	Sterling		(7)
Forward OTC	0 to 6 months	Sterling	Danish Krone	1	(51)
Forward OTC	0 to 6 months	Euro	Sterling	1	(361)
Forward OTC	0 to 6 months	Sterling	Euro	3	(979)
Forward OTC	0 to 6 months	Hong Kong Dollar	Sterling	15	(1)
Forward OTC	0 to 6 months	Sterling	Hong Kong Dollar	27	(12)
Forward OTC	0 to 6 months	Sterling	Indian Rupee		(4)
Forward OTC	0 to 6 months	Sterling	Indonesian Rupiah		(2)
Forward OTC	0 to 6 months	Sterling	Israeli Shekel		(2)
Forward OTC	0 to 6 months	Japanese Yen	Sterling	141	
Forward OTC	0 to 6 months	Sterling	Japanese Yen	20	(146)
Forward OTC	0 to 6 months	Sterling	Malysian Ringgit	1	
Forward OTC	0 to 6 months	Sterling	Mexican New Peso		(4)
Forward OTC	0 to 6 months	Sterling	New Taiwan Dollar		(14)
Forward OTC	0 to 6 months	Sterling	New Turkish Lira		(2)
Forward OTC	0 to 6 months	Sterling	New Zealand Dollar		(1)
Forward OTC	0 to 6 months	Sterling	Norwegian Krone		(16)
Forward OTC	0 to 6 months	Sterling	Polish Zloty		(5)
Forward OTC	0 to 6 months	Sterling	Singapore Dollar		(11)
Forward OTC	0 to 6 months	Sterling	South Africa Comm Rand		(21)
Forward OTC	0 to 6 months	Sterling	South Korean Won		(39)
Forward OTC	0 to 6 months	Swedish Krona	Sterling		(24)
Forward OTC	0 to 6 months	Sterling	Swedish Krona		(14)
Forward OTC	0 to 6 months	Sterling	Swiss Franc		(168)
Forward OTC	0 to 6 months	Sterling	Thailand Baht		(4)
Forward OTC	0 to 6 months	US Dollar	Sterling	8	(740)
Forward OTC	0 to 6 months	Sterling	US Dollar	943	(9)
				1,171	(2,702)

Financial Instruments

Classification of financial instruments

The accounting policies describe how different asset classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyses the carrying amounts of financial assets and liabilities by category and net asset statement heading. No financial assets were reclassified during the accounting period.

As at 31 March 2015

	Designated as fair value through profit and loss £000	Loans and receivables £000	Financial liabilities at amortised cost £000
Financial assets			
Fixed interest securities	0	0	0
Index linked securities	0	0	0
Equities	330,341	11,785	0
Pooled investment vehicles	1,289,293	0	0
Property	191,695	0	0
Derivative assets	1,171	0	0
Cash held on deposit	0	21,364	0
Other Investment balances	431	0	0
Debtors	0	12,931	0
	1,812,931	46,080	0
Financial Liabilities			
Derivative Liabilities	-2,702	0	0
Creditors	0	-3,706	0
	-2,702	-3,706	0
	1,810,229	42,374	0

As at 31 March 2014

	Designated as fair value through profit and loss £000	Loans and receivables £000	Financial liabilities at amortised cost £000
Financial assets			
Fixed interest securities	163,143	0	0
Index linked securities	933	0	0
Equities	254,703	12,758	0
Pooled investment vehicles	997,888	0	0
Property	170,936	0	0
Derivative assets	2,649	0	0
Cash held on deposit	0	31,448	0
Other Investment balances	3,465	0	0
Debtors	0	12,744	0
	1,593,717	56,950	0
Financial Liabilities			
Derivative Liabilities	-1,066	0	0
Creditors	0	-4,437	0
	-1,066	-4,437	0
	1,592,651	52,513	0

Net gains/(losses) on financial instruments

	2015 £000	2014 £000
Financial assets		
Fair value through profit and loss	211,110	136,981
Loans and receivables	-2,468	-6,770
Financial liabilities		
Fair value through profit and loss	-2,792	-714
Loans and receivables	0	0
Total	205,850	129,497

Financial Risk Disclosure

As an LGPS Pension Fund, the Fund's objective is to achieve a relatively stable "real" return above the rate of inflation over the long term. In order to achieve this objective the Fund holds financial instruments such as securities (equities, bonds), property, pooled funds (collective investment schemes) and cash and cash equivalents. The Fund's activities expose it to a variety of financial risks including Market Risk, Credit Risk and Liquidity Risk.

All the Fund's investments are managed by appointed Investment Managers. All investments are held by BNY Mellon who act as custodian on behalf of the Fund. Each investment manager is required to invest the assets managed by them in accordance with the terms of a written investment mandate or pooled fund prospectus.

The Wiltshire Pension Fund Committee has determined that these managers are appropriate for the Fund and is in accordance with its investment strategy. The Committee obtains regular reports from each investment manager and its Investment Consultant on the nature of investments made and associated risks.

The analysis below is designed to meet the disclosure requirements of FRS 17.

a) Market Risk

Market risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. This could be as a result of changes in market price, interest rates or currencies. The objective of the Funds Investment strategy is to manage and control market risk exposure within acceptable parameters, while optimising the return.

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

1) Market Price Risk

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

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

Market Price - Sensitivity Analysis

The sensitivity of the Fund's investments to changes in market prices have been analysed using the volatility of returns experienced by asset classes. The volatility data has been provided by the Fund's Investment Advisor (Mercers) and is broadly consistent with a one-standard deviation movement. The volatility is measured by the (annualised) estimated standard deviation of the returns of the assets relative to the liability returns. Such a measure is appropriate for measuring "typical" variations in the relative values of the assets and liabilities over short time periods. It is not appropriate for assessing longer term strategic issues. The analysis assumes that all other variables, in particular, interest rates and foreign exchange rates, remain constant.

Movements in market prices would have increased or decreased the net assets valued at 31 March 2015 and 2014 by the amounts shown below.

As at 31 March 2015

	Value £'000	Volatility of return	Increase £000	Decrease £000
Baillie Gifford - Global Equity	322,041	17.20%	55,391	(55,391)
CBRE Global Multi Manager - Property	209,920	14.60%	30,648	(30,648)
Western Asset Management - Corporate Bonds	3,603	4.00%	144	(144)
Legal & General - Equity	242,102	17.20%	41,642	(41,642)
Legal & General - Gilts	110,472	8.40%	9,280	(9,280)
Legal & General - Global Equity	106,920	17.20%	18,390	(18,390)
Legal & General - Rafi Equity	259,715	17.20%	44,671	(44,671)
Jubilee Advisors - Long/Short Hedge Funds	22,839	8.10%	1,850	(1,850)
Barings - Dynamic Assets Allocation	197,431	12.00%	23,692	(23,692)
Partners Group - Infrastructure	10,535	15.60%	1,643	(1,643)
Investec - Emerging Markets	137,892	19.00%	26,199	(26,199)
Loomis Sayles - Multi Asset Credit	97,217	6.00%	5,833	(5,833)
Loomis Sayles - Absolute Return Bond Fund	100,570	6.00%	6,034	(6,034)
M&G - Financing Fund	11,785	0.00%	0	0
Berenberg Bank - Dynamic Currency Fund	4,324	0.00%	0	0
Capital International - Global Equity	21	0.00%	0	0
Capital International - Absolute Income Grower	10	0.00%	0	0
	1,837,397		265,418	-265,418

As at 31 March 2014

	Value £'000	Volatility of return	Increase £000	Decrease £000
Baillie Gifford - Global Equity	255,917	17.30%	44,274	(44,274)
CBRE Global Multi Manager - Property	177,857	15.10%	26,856	(26,856)
Western Asset Management - Corporate Bonds	178,243	4.00%	7,130	(7,130)
Legal & General - Equity	226,922	17.00%	38,577	(38,577)
Legal & General - Gilts	91,085	8.10%	7,378	(7,378)
Legal & General - Global Equity	179,435	17.30%	31,042	(31,042)
Legal & General - Rafi Equity	226,424	17.30%	39,171	(39,171)
Jubilee Advisors - Long/Short Hedge Funds	86,138	7.90%	6,805	(6,805)
Barings - Dynamic Assets Allocation	181,139	12.10%	21,918	(21,918)
Partners Group - Infrastructure	5,626	15.20%	855	(855)
M&G - Financing Fund	12,758	0.00%	0	0
Berenberg Bank - Dynamic Currency Fund	9,838	0.00%	0	0
Capital International - Global Equity	46	0.00%	0	0
Capital International - Absolute Income Grower	23	0.00%	0	0
	1,631,451		224,006	-224,006

2) Interest Rate Risk

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

The Fund's exposure to interest rate movements from its investments in cash & cash equivalents, fixed interest and loans at 31 March 2015 and 2014 are provided below.

	31.03.15
	£000
Cash held on deposit	15,383
Fixed interest securities	201,386
Loans	11,785
	228,554
	31.03.14
	£000
Cash held on deposit	26,042
Fixed interest securities	163,143
Loans	12,758
	201,943

Interest Rate – Sensitivity Analysis

The Pension Fund recognises that interest rates vary and can impact on the fair value of the assets. The sensitivity of the Fund's investments to changes in interest rates has been analysed by showing the affect of a 100 basis point (1%) change in interest rates. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

As at 31 March 2015	Value	Change in net assets	
	£000	£000	£000
		+100 BP	-100 BP
Cash held on deposit	15,383	154	-154
Fixed interest securities	201,386	-6,417	6,417
Loans	11,785	0	0
	228,554	-6,263	6,263
As at 31 March 2014	Value	Change in net assets	
	£000	£000	£000
		+100 BP	-100 BP
Cash held on deposit	26,042	260	-260
Fixed interest securities	163,143	-13,084	13,084
Loans	12,758	0	0
	201,943	-12,824	12,824

A 1% increase in interest rates will reduce the fair value of the relevant net assets and vice versa. The loans identified are part of the M&G Financing Fund. Borrowers pay a fixed annual interest rate agreed at the outset.

3) Currency Risk

Currency risk represents the risk that the fair value of financial instruments will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on financial instruments that are denominated in a currency other than sterling. When sterling depreciates the sterling value of foreign currency denominated investments will rise and when sterling appreciates the sterling value of foreign currency denominated investments will fall.

Currently Wiltshire Pension Fund has a dynamic hedging arrangement in place. This reduces the volatility of returns over the long term.

The tables on the next page show approximate exposures to each of the three major foreign currencies based on manager benchmarks and target allocations. This is based on the two global equity managers Baillie Gifford and Legal & General.

2015	US Dollar	Euro	Yen
Benchmark Weights	18.43%	7.02%	3.40%
	£000	£000	£000
Net Currency Exposure	338,723	129,005	62,417

2014	US Dollar	Euro	Yen
Benchmark Weights	17.88%	7.41%	3.18%
	£000	£000	£000
Net Currency Exposure	291,676	120,887	51,842

Currency Risk – Sensitivity Analysis

The sensitivity of the Fund's investments to changes in foreign currency rates have been analysed using a 10% movement in exchange rates in either direction. This analysis assumes that all variables, in particular interest rates, remain constant.

A 10% strengthening or weakening of Sterling against the various currencies at 31 March 2015 and 31 March 2014 would have increased or decreased the net assets by the amount shown below.

2015	Assets held at Fair Value	Change in net assets	
		+10%	-10%
	£000	£000	£000
US Dollar	338,723	33,872	-33,872
Euro	129,005	12,901	-12,901
Yen	62,417	6,242	-6,242
Net Currency Exposure	530,145	53,015	-53,015

2014	Assets held at Fair Value	Change in net assets	
		+10%	-10%
	£000	£000	£000
US Dollar	291,676	29,168	-29,168
Euro	120,887	12,089	-12,089
Yen	51,842	5,184	-5,184
Net Currency Exposure	464,405	46,441	-46,441

As the Fund has a dynamic hedging arrangement in place only a proportion of the gains/losses would be experienced. One important point to note is that currency movements are not independent of each other. If sterling strengthened generally it may rise against all the above currencies producing losses across all the currencies.

b) Credit Risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to meet their obligations and the Fund will incur a financial loss.

The Fund is exposed to credit risk through its investment managers, custodian and its daily treasury management activities. Credit risk is minimised through the careful selection and monitoring of counterparties.

A securities lending programme is run by the Fund's custodian, BNY Mellon, who manage and monitor the counterparty risk, collateral risk and the overall lending programme. The minimum level of collateral for securities on loan is 102%, however more collateral may be required depending upon the type of transaction.

This level is assessed daily to ensure it takes account of market movements. The current collateral Wiltshire Pension Fund accepts is AAA rated Supranational debt, AA rated sovereign debt and FTSE Equity DBV. Securities lending is capped by investment regulations and statutory limits are in place to ensure that no more than 35% of eligible assets can be on loan at any one time.

Forward currency contracts are entered into by the Fund's currency overlay manager – Berenberg. These contracts are subject to credit risk in relation to the counterparties of the contracts which are primarily banks. The responsibility for these contracts rests with Berenberg. Prior to appointment full due diligence was undertaken, they are regulated by BaFin (the German equivalent of FCA) and meet the requirements set out in the LGPS (Management and Investment of Funds) Regulations 2009.

Another source of credit risk is the cash balances held internally or by managers. The Pension Fund's bank account is held at HSBC, which holds a AA- long term credit rating and it maintains its status as a well capitalised and strong financial institution.

The management of the cash held in this account is managed by the Council's Treasury Management Team in line with the Fund's Treasury Management Strategy which sets out the permitted counterparties and limits. Cash held by investment managers is invested with the custodian in a diversified money market fund rated AAAm.

The Fund's exposure to credit risk at 31 March 2015 and 2014 is the carrying amount of the financial assets.

2015

	£000
Fixed interest securities	0
Index linked securities	0
Global Fixed Income Pooled	201,386
Cash held on deposit	15,383
Other investment balances	431
Current assets	18,912
	236,112

2014**£000**

Fixed interest securities	163,143
Index linked securities	933
Derivative assets	1,583
Cash held on deposit	26,042
Other investment balances	3,465
Current assets	18,150
	213,316

c) Liquidity Risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The main liabilities of the Fund relate to the benefits payable which fall due over a long period of time. The investment strategy reflects this and sets out the strategic asset allocation of the Fund. Liquidity risk is mitigated by investing a proportion of the Fund in actively traded instruments in particular equities and fixed income investments. The Fund maintains a cash balance to meet operational requirements.

The following tables analyses the Fund's financial liabilities as at 31 March 2015 and 2014, grouped into relevant maturity dates.

2015	Carrying Amount £000	Less than 12 months £000	Greater than 12 months £000
Accounts Payable	68	68	0
Benefits Payable	511	511	0
Sundry Creditors	3,127	3,127	0
	3,706	3,706	0

2014	Carrying Amount £000	Less than 12 months £000	Greater than 12 months £000
Accounts Payable	93	93	0
Benefits Payable	1,348	1,348	0
Sundry Creditors	2,996	2,996	0
	4,437	4,437	0

Fair Value Hierarchy

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Unadjusted quoted prices in an active market for identical assets or liabilities that the Fund has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices under Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability used to measure fair value that rely on the Funds own assumptions concerning the assumptions that market participants would use in pricing an asset or liability.

The tables below analyse financial instruments, measured at fair value at the end of the reporting period 31 March 2015 and 31 March 2014, by the level in the fair value hierarchy into which the fair value measurement is categorised. This has been produced from analysis produced by the Fund's custodian BNY Mellon.

2015

	£000 Level 1	£000 Level 2	£000 Level 3	£000 Total
Fixed Interest Securities	0	0	0	0
Index Linked Securities	0	0	0	0
Equities	328,117	0	14,009	342,126
Pooled Funds				
- Other	0	1,278,757	10,536	1,289,293
- Property	0	128,513	63,182	191,695
Derivative Assets				
- Futures	0	0	0	0
- Options	0	0	0	0
- Forward FX	0	0	0	0
	328,117	1,407,270	87,727	1,823,114
Cash Deposits	13,852	0	0	13,852
Other Investment balances	431	0	0	431
	342,400	1,407,270	87,727	1,837,397

2014

	£000 Level 1	£000 Level 2	£000 Level 3	£000 Total
Fixed Interest Securities	2,359	160,784	0	163,143
Index Linked Securities	0	933	0	933
Equities	254,112	0	13,349	267,461
Pooled Funds				
- Other	0	992,261	5,627	997,888
- Property	0	138,154	32,782	170,936
Derivative Assets				
- Futures	-49	0	0	-49
- Options	0	0	0	0
- Forward FX	1,632	0	0	1,632
	258,054	1,292,132	51,758	1,601,944
Cash Deposits	26,038	4	0	26,042
Other Investment balances	3,465	0	0	3,465
	287,557	1,292,136	51,758	1,631,451

During 2014/15 there were no transfers between level 1 and 2 of the fair value hierarchy.

The following tables presents the movement in level 3 instruments for the year end 31 March 2015 and 31 March 2014.

2015

	£000
Opening balance	51,758
Total gains/losses	4,016
Purchases	34,633
Sales	-2,680
Transfer out of Level 3	0
Closing balance	87,727

2014	£000
Opening balance	33,675
Total gains/losses	16,668
Purchases	3,614
Sales	-2,199
Transfer out of Level 3	0
Closing balance	51,758

12. Investment management expenses

	2014-15	2013-14
	£000	£000
Manager & Investment Admin Fees	5,414	3,035
Custody and Performance	104	118
	5,518	3,153

Additional Manager fees of £1.3m have been incurred by the fund as a result of investing in pooled fund investments.

13. Current assets

	31 March 2015	31 March 2014
	£000	£000
Contributions due from other authorities and bodies		
- Employees	1,424	1,362
- Employers	4,549	4,072
Income due from external managers and custodians		
Debtors (Magistrates)	4,825	5,790
Other	2,133	1,520
Cash balances	5,981	5,406
	18,912	18,150
Less:		
Long term debtors (Magistrates)	-4,825	-5,790
	14,087	12,360

Contributions due at the year end have been paid to the Fund subsequent to the year end in accordance with the Rates & Adjustment certificate.

14. Current liabilities

	31 March 2015	31 March 2014
	£000	£000
Managers/custody fees	1,207	943
HMRC	702	661
Other	1,797	2,833
	3,706	4,437

15. Additional Voluntary Contributions (AVCs)

Fund members paid contributions totalling £0.593 million (£0.433 million in 2013/14) into their AVC funds during the year. At the year end, the value of funds invested on behalf of Fund members totalled £3.529 million (£3.293 million in 2013/14), made up as follows:

	£ Million
Equitable Life Assurance Society	
- With Profits Fund	0.599
- Unit Linked Managed Fund	0.234
- Building Society Fund	0.028
Clerical Medical Funds	
- With Profits Fund	0.155
- Unit Linked Managed Fund	1.027
NPI Fund	
- Managed Fund	0.027
- With Profits Fund	0.101
- Global Care Unit Linked Fund	0.057
- Cash Deposit Fund	0.032
Prudential	
- With Profits Cash Accumulation Fund	0.453
- Deposit Fund	0.211
- Diversified Growth Fund	0.196
- Equity Passive	0.029
- Long Term Growth Fund	0.145
- Pre-Retirement Fund	0.128
- Property Fund	0.107
	3.529

As mentioned earlier, AVC investments are not included in the Fund's financial statements.

16. Employer related assets

There are no employer related assets within the Fund.

17. Related Party Transactions

The Wiltshire Pension Fund is administered by Wiltshire Council. Consequently there is a strong relationship between the Council and the Pension fund.

The Council incurred costs of £1.097m (2013/14: £1.076m) in relation to the administration of the fund and was subsequently reimbursed by the fund for these expenses. The Council is also the

single largest employer of members of the Pension Fund and contributed £26m to the fund in 2014/15 (2013/14: £27.4m). A balance of £0.87m was owing to the Pension Fund by the Council at year end.

Part of the Pension Fund cash holdings are invested on the money markets by the treasury management operations of Wiltshire Council, through a service level agreement. During the year to 31 March 2015, the fund had an average investment balance of £3.5m (31 March 2014: £3.4m), earning interest of £19k (2013/14: £18k) in these funds.

Governance

There are two members of the Pension Fund Committee D Hall and L Stuart that are active members of the Pension Fund. These individuals are the employer bodies' representatives.

18. Guaranteed minimum pension

The Fund continues to make progress on updating the details of Guaranteed Minimum Pensions (GMP) that were not previously shown on member's records. The Fund is working with HMRC on the GMP reconciliation project where all records will need to be reconciled by March 2018.

GMP elements of member's LGPS pension are not increased by the Fund for Pre 1988 GMP (in respect of the period 06/04/1978 to 05/04/1988) but for Post 1988 (in respect of the period 06/04/1988 to 05/04/1997) it is increased by a maximum of 3%. The Government increase the State Pension for the member fully on the Pre 1988 GMP element and for Post 1988 GMP element it is only increased if CPI is above 3%.

The effect of LGPS pensions not showing the correct amount of GMP for its members would mean that their pension would be increased by more than it should be.

Although these overpayments are costs to the Fund they have been included as expenditure in previous Pension Fund accounts, therefore no restatement is necessary.

19. Contingent Liabilities and Contractual Commitments

Outstanding capital commitments (investments) at 31 March 2015 totalled Euro 36.285m (31 March 2014: 42.725m).

These commitments relate to outstanding call payments due on unquoted limited partnership funds held in the infrastructure part of the portfolio. The amounts 'called' are irregular in both size and timing from the original commitment.

14. IAS26 statement

Actuarial Statement in respect of IAS26 as at 31.03.2015

Introduction

CIPFA's Code of Practice on Local Authority Accounting 2014/15 requires administering authorities of LGPS funds that prepare pension fund accounts to disclose what IAS26 refers to as the actuarial present value of promised retirement benefits.

The actuarial present value of promised retirement benefits is to be calculated similarly to the defined obligation under IAS19. There are three options for its disclosure in pension fund account:

- Showing the figure in the Net Assets Statement, in which case it requires the statement to disclose the resulting surplus or deficit;
- As a note to the accounts; or
- By reference to this information in an accompanying actuarial report.

If an actuarial valuation has not been prepared at the date of the financial statements, IAS26 requires the most recent valuation to be used as a base and the date of the valuation disclosed. The valuation should be carried out using assumptions in line with IAS19 and not the Pension Fund's funding assumptions.

I have been instructed by the Administering Authority to provide the necessary information for the Wiltshire Council Pension Fund, which is in the remainder of this note.

Balance sheet Year ended	31 Mar 2015 £m	31 Mar 2014 £m
Present Value of Promised Retirement Benefits	2,942	2,452

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2013. I estimate this liability at 31 March 2015 comprises £1,336m in respect of employee members, £632m in respect of deferred pensioners and £974m in respect of pensioners. The approximation involved in the roll forward model means that the split of scheme liabilities between the three classes of member may not be reliable. However, I am satisfied the aggregate liability is a reasonable estimate of the actuarial present value of the benefit promises. I have not made any allowance for unfunded benefits.

The above figures include both vested and non-vested benefits, although the latter is assumed to have a negligible value.

It should be noted the above figures are appropriate for the Administering Authority only for preparation of the accounts of the Pension Fund. They should not be used for any other purpose (i.e. comparing against liability measures on a funding basis or a cessation basis).

Assumptions

The assumptions used are those adopted for the Administering Authority's IAS19 report as required by the Code of Practice. These are given below. I estimate that the impact of the change of assumptions to 31 March 2015 is to increase the actuarial present value by £394m.

Financial assumptions

My recommended financial assumptions are summarised below:

Year ended	31 Mar 2015 % p.a.	31 Mar 2014 % p.a.
Inflation/Pension Increase Rate	2.4%	2.8%
Salary Increase Rate	4.3%	4.6%
Discount Rate	3.2%	4.3%

Longevity assumption

As discussed in the accompanying report the life expectancy assumption is based on the Fund's VitaCurves with improvements in line with the CMI_2010 model, assuming the current rate of improvements has reached a peak and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	22.3 years	24.5 years
Future Pensioners	24.1 years	26.9 years

**Future pensioners are assumed to be currently aged 45*

Please note that the assumptions are identical to those used for the previous IAS26 disclosure for the Fund.

Commutation assumption

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

Professional notes

This paper accompanies my covering report titled 'Actuarial Valuation as at 31 March 2015 for IAS19 purposes' dated 30 April 2015. The covering report identifies the appropriate reliances and limitations for the use of the figures in this paper, together with further details regarding the professional requirements and assumptions.

Catherine McFadyen FFA

20 May 2015

For and on behalf of Hymans Robertson LLP

15. Further information & contacts

The Council produces a number of other publications, as well as this booklet to support its role as administering authority of the Wiltshire Pension Fund. You can request these from the Wiltshire Pension Fund at County Hall, Trowbridge, from our Website at www.wiltshirepensionfund.org.uk or by emailing pensionenquiries@wiltshire.gov.uk.

Guide to the Local Government Pension Scheme

This booklet explains the benefits available to employees and their dependants of being in the Fund.

Employers' guide

This is available on our website and specifically aimed at staff within employer bodies with responsibility for providing information to the Pensions Section in respect of Fund administration. The aim of the Guide is to provide Scheme Employers with all the information they need in order to fulfil their pension responsibilities correctly.

Starter packs

These contain information that has to be made available to new employees on their pension entitlements, together with supporting information.

Retirement packs

These contain information for every new pensioner about their pension and other supporting information.

Newsletters

Occasional newsletters are produced, both for participating Fund members and for pensioners, containing information of interest.

Annual benefit statements

Statements are automatically available for all full-time Fund members and those working regular part time hours, and also for deferred pensioners. Statements are also available on request for any Fund member at any time.

Other information

Various leaflets, posters and fact sheets explaining the Fund and highlighting its benefits are produced. The Pensions Section also has booklets available produced by Prudential on Additional Voluntary Contributions.

For further information contact:

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