

2024-25

Annual Report



lgps

administered by



Chair's Foreword

This year the Fund delivered a portfolio return of 3.9% for the year. Equity returns were more muted than in the last few years driving this more modest return. 3-year returns were lower at 3.4% with 5-year returns at 7.8% including the post covid recovery after the low at the 2019/2020 year end. While the 5-year return exceeded the target annual return of 5.5% and the discount rate of 4.7% set by the actuary at the last valuation, the 3-year return was below the target. Both the target and the discount rate are set over longer periods of time, and the Fund will continue its careful management, focussing on long term returns from a diverse portfolio.

Work continues with LGPS Central Ltd, the multi-asset investment pool Nottinghamshire has formed with seven other Midlands based funds. Investments under Pool management increased during the year as asset values increased and a further allocation was made to Index Linked Gilts. Investments managed by LGPS Central amounted to £1,987m on 31 March 2025.

Data, data and data! Our administration team continues to work with employers to audit and improve the quality of data held by the Fund. It is also important that members continue to keep the Fund updated on any changes to their name, marital status and address especially if they have left the scheme and hold a deferred benefit which they intend to access in the future. Online forms are available on the Fund's website to enable changes to be submitted in an efficient and effective manner. Quality data will be one of the key components in individuals being able to access the national dashboard.

The Administration Team continues to develop the use of the Civica Universal Pension Manager system and have this year worked to develop a number of automated processes for more straight forward activities. Over time the automated processes will enable the team to specialise on more complex areas of the scheme. Plans are in place to move the Fund's current on-premise system to a cloud-based environment and to work to deploy the scheme employer portal across all employers and also to provide secure online self-service functions to members.

The service has continued to support scheme employers in meeting their statutory requirements through the Administration Strategy which outlines the responsibilities and procedures to be followed by employers. It must be emphasised that the administration service is not just the responsibility of the administering authority but is dependent on effective joint working with all scheme employers. Timeliness and accuracy of data submitted by employers is an essential element of delivering a high-quality service to scheme members. Legislation dictates the minimum standards that pension schemes should meet.

As reported in the Fund's last annual report, the administration team welcomed its first cohort of pension apprentices back in January 2024. Recruitment and retention of experienced pension administrators have continued to cause difficulties for Funds. Our successful "grown our own" programme has seen all our apprentices achieve merit in their apprenticeship and secure permanent employment within the team. Nottinghamshire experience has also provided the LGPS with a case study to share

with other Funds, to consider this route going forward and to attract people into the service whereby they can develop a long-term profession.

In accordance with the Investment Strategy Statement, the Fund continues a long-term responsible investment approach, actively engaging with equity holdings by exercising voting rights and engaging with companies through its investment managers, our pooling partners LGPS Central and membership of the Local Authority Pension Fund Forum (LAPFF). This engagement approach continues to highlight and improve the resilience of corporate strategies at global resource companies in the wake of climate change agreements. The Fund publishes annual Task Force on Climate-related Financial Disclosures (TCFD) reports, a triennial climate risk analysis and has a Climate Stewardship Plan with progress reported to the committee on an annual basis demonstrating the ongoing engagement with the key companies identified in the climate risk report. More details of our engagement can be found on the Pension Fund website in the Investments section.

Looking forward, we will continue to collaborate with our employer partners and fund members to ensure that we fulfil our obligation to deliver the future secure pensions for our LGPS members.

Councillor James Gamble
Chair of the Nottinghamshire Pension Fund Committee

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Introduction

The Local Government Pension Scheme (LGPS) is a statutory scheme administered by individual pension funds.

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

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

The Scheme is administered locally by 86 local pension funds in England and Wales. Across England and Wales, the LGPS has approximately 6.7 million members:

- 2.1 million people currently paying into the LGPS
- 2.1 million people being paid a pension from the LGPS
- 2.5 million have a pension they have not yet taken.

Over 18,000 employers participate in the LGPS nationally. In March 2024, the market value of the LGPS was £391 billion (information taken from <https://www.lgpsmember.org/about-the-lgps/about-the-lgps/> on 20/10/2025).

Nottinghamshire County Council is the Administering Authority for the LGPS in Nottinghamshire. This means it administers the pension fund and makes investments on behalf of Nottinghamshire County Council and all the district and borough councils in Nottinghamshire, including Nottingham City Council. It also acts on behalf of other organisations that are generally non-profit making, or are undertaking a service that was, or could be, carried out by a local authority.

Within the Fund there are approximately 290 participating employers and approximately 165,000 members.

The Fund exists to help defray the cost of paying the pension benefits. Its objective is to ensure that pensions are paid on time and in full, now and in the future.

Members of the scheme make contributions based on their pensionable pay; these rates are set by central government. Employers make contributions which are calculated based on regular fund valuations carried out by the Fund's actuary. Employer contributions are set at a level to meet the cost of funding employee benefits, and as such, are required to meet any shortfall in funding the pension liabilities of scheme members.

All new employees are brought into the scheme automatically unless a positive election not to participate is received from the employee.

As the LGPS is a defined benefit pension scheme. The benefits paid to LGPS members are set out in Regulations. These benefits are guaranteed for those members and not reliant on investment performance.

Other benefits of being a member of the LGPS, subject to meeting certain conditions, include:

- Life cover and a pension for a member's spouse, eligible cohabiting partner, and eligible children in the event of their death while contributing
- Immediate ill-health benefits if a member becomes seriously ill
- Payment of a grant on the death of members with deferred benefits and some pensioner members
- Freedom for members to draw their pension at any time from the age of 55 (rising to 57 from 6 April 2028) and receive benefits immediately (this may be reduced if paid before a members' Normal Pension Age)
- Immediate payment of accrued benefits at or after age 55 (rising to 57 from 6 April 2028) if a member is made redundant or retired on grounds of efficiency
- Options for flexible retirement by drawing pension benefits while reducing hours or moving to a less senior position
- Flexibility to pay less in contributions through the 50:50 section of the scheme
- Opportunities to make additional contributions

Until 2015, the LGPS was a final salary scheme. It is now a Career Average Revalued Earnings (CARE) pension scheme. The scheme has a one forty-ninth ($1/49^{\text{th}}$) accrual rate. This means that each year $1/49^{\text{th}}$ of a member's pensionable pay goes into their pension account. At the end of the year the total amount of pension in the member's account is adjusted to take account of the cost of living as measured by the Consumer Price Index (CPI).

Where pensions span multiple scheme iterations, their benefits are calculated based on a person's years of service under each version of the scheme and the rules in place at that time.



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Section 1

Overall Fund management

Overall Fund Management

Scheme management and advisers

The Fund employs and/or receives advice from a number of different individuals and organisations. These are listed below and are correct as at 31 March 2025:

Nottinghamshire County Council officers

Service Director – Finance, Infrastructure and Improvement	Nigel Stevenson
Service Director – Customers, Governance and Employees	Marjorie Toward
Group Manager – Business Services Centre	Sarah Stevenson
Head of Pension Fund Investments	Tamsin Rabbitts

Asset pool operator

LGPS Central Limited

First Floor, i9, Wolverhampton Interchange, Wolverhampton, WV1 1LD

<https://www.lgpscentral.co.uk/>

Main investment managers used by the Fund in addition to the pool

Aberdeen Investments (formerly Abrdn)

1 George Street, Edinburgh, EH2 2LL

<https://www.abrdn.com/en-gb/>

Aegon Asset Management

The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB

<https://www.aegonam.com/>

Legal & General Investment Management

One Coleman Street, London, EC2R 5AA

<https://www.lgim.com/uk/en/>

Schroders

1 London Wall Place, London, EC2Y 5AU

<https://www.schroders.com/en/global/individual/>

Fund custodian

State Street

Corporate Headquarters, One Congress Street, Boston, Massachusetts, 02114-2016

<https://www.statestreet.com/gb/en/asset-manager>

Fund actuary

Barnett Waddingham Public Sector Consulting

2 London Wall Place, London, EC2Y 5AU

<https://www.barnett-waddingham.co.uk/services/public-sector-consulting/>

Proxy Voting service

Hermes EOS

Federated Hermes, 150 Cheapside, London, EC2V 6ET

<https://www.hermes-investment.com/uk/en/institutions/>

Additional Voluntary Contribution (AVC) providers

Prudential

5 Central Way, Kildean Business Park, Stirling, FK8 1FT

<https://www.mandg.com/pru/customer/en-gb/existing-customers/product-info/workplace-pensions/avc>

Scottish Widows

25 Gresham Street, London, EC2V 7HN

<https://www.scottishwidows.co.uk/>

Legal advisers

Anthony Collins

134 Edmund Street, Birmingham B3 2ES

<https://www.anthonycollins.com/>

Freeths

Cumberland Court, 80 Mount Street, Nottingham, NG1 6HH

<https://www.freeths.co.uk/>

Browne Jacobson

Mowbray House, Castle Meadow Road, Nottingham, NG2 1BJ

<https://www.brownejacobson.com/>

Banker

Barclays Bank

Nottingham branch, 2 High Street, Nottingham, NG1 2EN

<https://www.barclays.co.uk/business-banking/>

External Auditor

Forvis Mazars

2 Chamberlain Square, Birmingham, B3 3AX

<https://www.forvismazars.com/uk/en>

Independent Adviser

William Bourne, Linchpin Advisory Limited

7 Beaufort House, Beaufort Court, Sir Thomas Longley Road, Rochester, Kent, ME2 4FB

<https://www.linchpin-advisory.com/home>

Adviser to the Local Pensions Board

John Raisin, John Raisin Financial Services Limited

Market House, 10 Market Street, Saffron Walden, Essex, CB10 1JZ

<https://www.jrfspensions.com/>

Any of these may be contacted either by clicking on their websites in the table above or by emailing local.governmentpensions@nottscc.gov.uk

Risk management

Managing risk is a key part of the Fund's governance arrangements. The way the Fund manages risk is designed to enable it to meet its objectives while reducing the likelihood or impact of harm posed by risk.

During 2024/25 Nottinghamshire Pension Fund undertook a comprehensive review of its risk management arrangements with Zurich, Nottinghamshire County Council's insurer.

The Fund has a [Risk Management Strategy](#), which was reviewed by the Nottinghamshire Pension Fund Committee on 12 December 2024. The updates that were made ensured that the strategy complied with the requirements of the Pension Regulator's General Code of Practice which came into effect on 28 March 2024. It also set out the Fund's revised arrangements for identifying, assessing, managing and reviewing risk, which had been developed through its work with Zurich.

The Risk Management Strategy sets out:

- The purpose and objectives of the Fund and how risk management activity is integrated within this
- Roles and responsibilities of different groups and individuals in respect of risk management
- The different ways in which the Fund identifies risk and how risks are subsequently documented
- How risks are analysed and scored, including existing controls to mitigate risks
- Arrangements for reviewing the risk register and regular reporting to both the Nottinghamshire Pension Fund Committee and the Local Pensions Board

The risk register

The Fund's risk register is split into four sections:

- Corporate risk (the most serious risks or risks affecting two or more themes)
- Investments
- Pensions administration
- Governance

Risks that are managed on an operational basis, as part of business as usual, are not captured within the risk register.

The Fund uses a variety of methods to identify potential risks, including:

- Formal risk assessment exercises
- Monitoring performance of the Fund
- Recommendations and findings of auditors and advisers
- Feedback from stakeholders including the Nottinghamshire Pension Fund Committee, Local Pensions Board and scheme employers
- Informal meetings of senior officers or other staff involved in the management of the pension fund (with or without the Fund's advisers)

- Meetings and communication with other organisations, regional and national associations and professional groups
- Legal determinations including those of the Pensions Ombudsman, the Pensions Regulator and court cases
- Business planning or strategic workshops
- Business or service continuity plans developed by the Fund

When risk is identified, an assessment is made of its likelihood and impact. **Table 1** shows the factors considered in scoring the likelihood of a risk occurring, and **Table 2** provides those factors that are considered when assessing its impact.

Table 1: Likelihood of occurrence within next 12 months

Very low (1)	Not expected to occur (less than 5% chance)
Low (2)	Small chance that it will occur (6% to 20% chance)
Medium (3)	Less likely not to occur than to occur (21% to 50% chance)
High (4)	More likely to occur than not (51% to 80% chance)
Very high (5)	Expected to occur (81% or more chance)

Table 2: Risk impact assessment tool

Negligible (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Financial				
No or very minor loss that is unlikely to have an impact on ability to deliver services	Loss of a scale that would have a minor impact on ability to deliver some services	Loss of a scale that would noticeably impact on ability to deliver some services	Loss of a scale that would significantly impact on ability to deliver services	Loss of a scale that would threaten the ability to continue to deliver services
Health and safety				
No injury	Minor injuries sustained	Injury requiring visit to A&E / short-term hospitalisation	Injury requiring longer-term hospitalisation or resulting in permanent damage	Multiple injury / loss of life
Environmental				
No damage to the environment	Localised short-term reversible damage to the environment	Localised long-term reversible damage to the environment or widespread short-term reversible damage to the environment	Localised irreversible damage or widespread long-term reversible damage to the environment	Widespread irreversible damage to the environment
Compliance and regulation				
No breach	Minor breach of internal regulations, not reportable	Breach of internal regulations leading to disciplinary action Breach of external regulations, reportable	Significant breach of external regulations leading to intervention or sanctions	Major breach leading to suspension or discontinuation of business and services

Negligible (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Workforce				
Workforce concerns highlighted to managers	Some levels of low morale and / or small increases in staff sickness and grievance detected	Low staff morale, increase in staff sickness and / or grievance reported and / or short-term levels of low staffing levels	Permanent turnover <10% above the norm and / or long-term low staffing levels	Permanent staff turnover >10% above the norm and / or permanent low staffing levels
Physical assets				
No damage to asset	Minor damage to asset but still functioning	Moderate damage to key asset rendering it temporarily unusable	Major damage to asset rendering it unusable but repairable	Major damage to key asset rendering it permanently unusable
Reputation				
Complaints from individuals / small number of stakeholders. No media coverage or change to public perception and stakeholder confidence	Local short-term media coverage with little change to public perception and stakeholder confidence	Local long-term media coverage with moderate change to public perception and stakeholder confidence	Significant adverse short-term national media coverage with moderate change to public perception and stakeholder confidence	National long-term media coverage with significant change to public perception and stakeholder confidence
Service / project delivery				
No or very minor short-term disruption on ability to deliver services or project	Very minor disruption / inefficiencies in the ability to deliver services or project	Minor but noticeable disruption in the ability to deliver services or project	Significant disruption in the ability to deliver services or project	Unable to deliver the service or project

The combined score is then used to provide an overall level of risk: low, medium, high or very high. **Table 3** shows how risk scores are turned into the overall level of risk.

Table 3: Overall level of risk

Severe (5)	Impact ↑	M	H	VH	VH	VH
Significant (4)		M	H	VH	VH	VH
Moderate (3)		M	M	H	H	H
Minor (2)		L	L	M	M	M
Negligible (1)		L	L	L	L	L
		Likelihood →				
		Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)

Risks, controls and plans are reviewed regularly by officers.

The Fund has introduced new reporting and review arrangements. The risk register is considered at every meeting of the Local Pensions Board while the Nottinghamshire Pension Fund Committee considers risk at those meetings at which Investment Managers are not invited to attend to report on their performance. The Risk Management Strategy requires the Committee reviews the full risk register annually.

Instead of just presenting the full risk register to both the Nottinghamshire Pension Fund Committee and the Local Pensions Board periodically, members of both will have the opportunity to select risks on which they would like to carry out a deep dive. This will be presented the next time they consider risk. The deep dives requested by the Nottinghamshire Pension Fund Committee will also be shared with the Local Pensions Board and vice versa.

An overview of the items included on the Fund's risk register is set out in tables 4 to 6. For each risk, a description is provided, together with the inherent risk score (the level the risk is assessed as before controls are applied) and the residual risk score (the mitigated level of risk following the application of controls).

The Fund's risk register contains a large amount of detailed information. This detailed risk register is maintained as an exempt document as a means of protecting the Fund and its interests. In addition to the information summarised in tables 4 to 6, the Fund's detailed risk register identifies the causes of each risk and lists the controls currently applied. It also sets out further activity to help manage each risk that is either planned or in progress. The risk register provides a tool for monitoring trends in risk level, identifies risk owners and the escalation route.

Corporate risk

The corporate risk section of the risk register captures cross-cutting risks where the impact or harm would be most severe, or because they cut across two or more of the other risk categories.

Table 4: Corporate risks and their risk scores

Risk description	Inherent risk level	Residual risk level
Vacancies and turnover across the Local Pensions Board and the Nottinghamshire Pension Fund Committee impacting the effectiveness of the Fund's governance arrangements	High	Medium
Potential for poor performance to be missed and not addressed due to lack of performance data and capacity of both internal and external resources	High	Medium
Inadequate resources are available to manage the pension Fund: <ul style="list-style-type: none"> ○ Administration resources ○ Investment resources 	Very High	High

Risk description	Inherent risk level	Residual risk level
With potential risks relating to the Nottinghamshire Pension Fund Committee, there is a risk for planned investment strategies to be inappropriate	High	Medium
Scheme employers' lack of compliance with statutory responsibilities has a direct impact on the Nottinghamshire Pension Fund's ability to meet its statutory requirements	High	High
Changes in legislation, including General Code and changes in respect of investments, pooling and governance expected as part of the Government's 'Fit for the Future' programme	High	Emerging risk, controls to be identified as issues progress
Persistent volatile markets are impacting on the Fund assets which are assessed as insufficient to meet long term liabilities	Very High	High
Significant variations from assumptions used in the actuarial valuation	High	High
Cyber threats to the Fund (separate entries also included under the investment risks and admin risks sections of the register)	High	Medium

Investment (including pooling)

Table 5: Investment risks and their risk scores

Risk description	Inherent risk level	Residual risk level
Continued high inflation impacting on Fund pension costs and require increased funding, and cash demands that are insufficient to meet its obligations	High	Medium
Volatile markets impact on Fund assets which are assessed as insufficient to meet long-term liabilities	Very High	High
Significant variations from assumptions used in the actuarial valuation	High	High
Inadequate controls to safeguard pension fund assets	High	Medium

Risk description	Inherent risk level	Residual risk level
Loss of assets due to custody failures associated with information / reports from systems being inaccurate or not up to date, incurring additional costs	High	Medium
Unable to publish annual report on time and in good order	Medium	Low
Due to resourcing capacity, there is increased potential of a failure to implement pension fund controls, regulations, policies and procedures	High	Medium
Resources impact on stewardship and responsible investment – risk of not being seen to be acting as appropriate stewards	Medium	Low
LGPS Central incurs net costs or decreases investment returns as future pooling of assets impacts on returns	High	High
Climate change affects the financial returns of the Fund, and additional associated reporting is required	High	High
Cyber threats to the Fund	High	Medium

Risks relating to investment and pooling arrangements

The Fund's approach to managing investment risk is set out in its Investment Strategy Statement. The Nottinghamshire Pension Fund Committee has regular meetings where it can ask the main investment managers that work with the Fund about their performance. As well as investment performance, members can explore governance matters, which could include raising any concerns regarding risk management.

Further information on the nature and extent of risks arising from financial instruments is detailed in note 8(c) of the Statement of Accounts, which forms part of this report.

The Fund invests through LGPS Central Ltd to deliver pooling. Any change in investment creates a risk of generating a return that may be lower (or higher) than the previous investment. This is equally the case with pooled investments. In addition, there are costs incurred in operating LGPS Central which may or may not be offset by savings. Nottinghamshire Pension Fund is a shareholder in LGPS Central and has significant influence on it through involvement in the Shareholders' Forum, Joint Committee and Practitioners' Advisory Forum (PAF). Costs and performance are monitored, and savings, costs and the cumulative position are reported in section 5 of this Annual Report.

This risk will be subject to regular review over the next couple of years as the Fund implements the changes required as part of the Government's 'Fit for the Future' programme, under which all assets will transfer to the management of the pool.

Governance

During 2024/25 no risks were included on the Governance section of the risk register. At this time, all the risks that would fall within the governance category are included within the cross-cutting, corporate risk section.

Services shared with the Administering Authority

The Fund benefits from services provided by the Nottinghamshire County Council, including ICT support, HR and payroll functions. The Fund is also able to access support from other services including legal and procurement. Each service with which the Fund interacts has its own policies and processes designed around relevant regulation and guidance. The delivery of each of these services is separated from the Pension Fund.

Conflicts of interest

The Nottinghamshire Pension Fund Committee, which has delegated responsibility for carrying out the functions of the Administering Authority, is composed of County Councillors. Management of conflicts of interest is part of the Members' Code of Conduct. As part of this, and in line with the requirements of the Localism Act 2011, the Council maintains a register of interests affecting its members. The committee also includes co-opted members. The Council also collects information on the interests of co-opted members who sit on the Nottinghamshire Pension Fund Committee and members of the Local Pensions Board who are not members of the council.

Nottinghamshire Pension Fund also has its own Conflicts of Interest Protocol. The protocol supplements the council's arrangements and was designed to help decision-makers understand both the separation of roles and the steps they would need to take if a conflict of interest was to arise.

Administration

Table 6: Administration risks and their risk scores

Risk description	Inherent risk level	Residual risk level
Inconsistent or inadequate recording, monitoring, management and reporting of data	Very High	High
Cyber security	High	Medium
Governance – reporting and assurance of statutory duties into the Local Pensions Board and Nottinghamshire Pension Fund Committee	High	Medium
Incorrect payment of pensions as a result of processing errors or inadequate or lacking internal controls	Very High	High

Risk description	Inherent risk level	Residual risk level
Pension scams	Very High	Very High

Cyber risk

The Pensions Regulator has clear expectations regarding cyber security and controls, which it set out in the Cyber Controls module of the General Code of Practice and its cyber guidance.

Trustees, in this case the Nottinghamshire Pension Fund Committee, as well as the Local Pensions Board and scheme managers, remain accountable for the security of pension scheme information and assets. This means understanding the Fund's cyber risk, ensuring that organisations that are handling data or managing technology on the Fund's behalf have controls in place to reduce the risk of cyber incidents occurring, and managing any incidents that do arise.

The Fund has identified cyber risk as a key concern, and it is therefore included on the corporate section of the risk register as well as having separate entries on both the Investments and Pensions Administration sections of the risk register.

The Fund completed the Aon cyber scorecard in November 2023. This assessed the Fund's maturity in ten areas and compared the action being taken by the Fund against the steps being taken by other Funds. The Fund's score was 36.6 against an average of 43 across other LGPS Funds. Of the areas measured, the Fund had one that was in the upper quartile, eight in the interquartile and two in the lower quartile. In response to the outcome of that assessment, the Fund has undertaken a considerable amount of work in 2024/25 developing the following, which will come to fruition in 2025/26:

- Cyber strategy
- Cyber hygiene guidelines
- Cyber response plan
- Cyber data and asset map

The Fund is also undertaking third party supplier reviews. Once complete, the Fund will undergo reassessment against Aon's cyber scorecard.

A joint training session on cyber risk was held for members of both the Nottinghamshire Pension Fund Committee and the Local Pensions Board on 12 September 2024. The session was led by Aon as part of its wider programme of work with the Fund.

The first risk register deep dive undertaken by the Nottinghamshire Pension Fund Committee, which took place on 13 February 2025, explored cyber risk. The same deep dive was scheduled for the meeting of the Local Pensions Board on 3 April 2025. The discussion explored the reason cyber risk was added to the Fund's risk register, the experience of organisations that had suffered a cyber incident and its impact. The session examined the measures the Fund had already put in place as well as those actions that were either planned or in progress.

Third party risks

The Fund is proactive in managing third party risks.

The Pension Fund has contracts for services across both investments and administration. These are managed through regular monitoring and discussion, and where necessary agreeing actions and improving services.

The Fund reduces the risk of late payment of contributions and data by scheme employers and the overall performance of scheme employers by building positive relationships.

Plans are in place to review the Pension Fund's Administration Strategy so that there are tools that will help the Fund understand trends in employer performance and where potential risks may lie. This will inform actions the Fund takes to mitigate that risk and put in place additional support for employers. Any adjustments to the Administration Strategy will reflect the guidance developed as part of the requirement within the 'Fit for the Future' programme mandating Funds must have an administration strategy.



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Section 2

Governance and training

Governance and training

Governance framework

The Fund has a number of policy documents, which have not been reproduced in this report. The most recent versions of each strategy are available to view on the Fund's website (<https://www.nottspf.org.uk/about-the-fund/governance-and-strategies/>). The links included below reflect the most recent versions approved by the Nottinghamshire Pension Fund Committee. Where updates are made in year, a link will be included to the relevant committee papers.

Funding Strategy Statement

The [Funding Strategy Statement \(FSS\)](#) sets out the aims and purposes of the Pension Fund and the responsibilities of the Administering Authority as regards funding the scheme.

Investment Strategy Statement

The [Investment Strategy Statement \(ISS\)](#) sets out more detailed responsibilities relating to the overall Investment Strategy, including the proposed asset allocation, restrictions on investment types, the type of investment management used and performance monitoring. It also sets out the Fund's approach to socially responsible investment and corporate governance issues.

The Investment Strategy Statement is reviewed at least once a year, more frequently if required. The most recent updates were made by [Nottinghamshire Pension Fund Committee](#) at its meeting on Thursday 13 February 2025.

Administration Strategy

The [Administration Strategy](#) sets out the quality and performance standards expected of Nottinghamshire County Council in its role as Administering Authority and scheme employer. It also includes expectations of other scheme employers in the Fund.

Communications Strategy

The [Communications Strategy](#) details the overall strategy for involving stakeholders in the Fund. A key part of this strategy is a dedicated Fund website, which includes information useful for employers, prospective members, active and deferred members and pensioners. This annual report, along with previous years' reports is accessible via the pension fund website.

The Fund also has a [Communications Plan](#), which is approved in conjunction with the Communications Strategy.

Risk Management Strategy

The Fund's [Risk Management Strategy](#) sets out its approach to identifying, managing and reviewing risks. The strategy and risk management arrangements are explored in greater detail in Section 1 of this Annual Report.

Governance Compliance Statement

The [Governance Compliance Statement](#) sets out the governance arrangements of the Pension Fund and covers:

- The delegation of the functions of the Administering Authority to the Nottinghamshire Pension Fund Committee
- The functions and responsibilities of Nottinghamshire Pension Fund Committee and the Local Pensions Board
- Information on the membership of the Committee and Board, including information on how members, employers and trade unions are represented
- Stakeholder engagement
- Compliance with best practice

Climate Stewardship Plan

The [Climate Stewardship Plan](#) identifies specific investee companies and portfolio managers in which stewardship techniques can be leveraged to further understand and manage climate-related risks within the Fund. It aligns with, and is supportive of, the Task Force on Climate-related Financial Disclosures (TCFD) and relates to the third pillar, Risk Management. It focuses specifically on climate change and complements ongoing stewardship activities on other environmental, social and governance factors.

Climate Strategy

The [Climate Strategy](#) describes the way the Fund manages climate-related risks and covers four main elements: governance and climate risk, climate-related beliefs, objectives and strategic actions.

Breaches Policy

The [Breaches Policy](#) sets out the Fund's policy and procedures on identifying, managing and, where necessary, reporting breaches of the law.

Training Strategy

The [Training Strategy](#), which was new in 2024/25, sets out how those responsible for the scheme will meet the knowledge and understanding requirements. It covers members of the Nottinghamshire Pension Fund Committee and Local Pensions Board. It sets out areas of which members are required to have knowledge and understanding, how that will be monitored and reported on, and expectations placed on members.

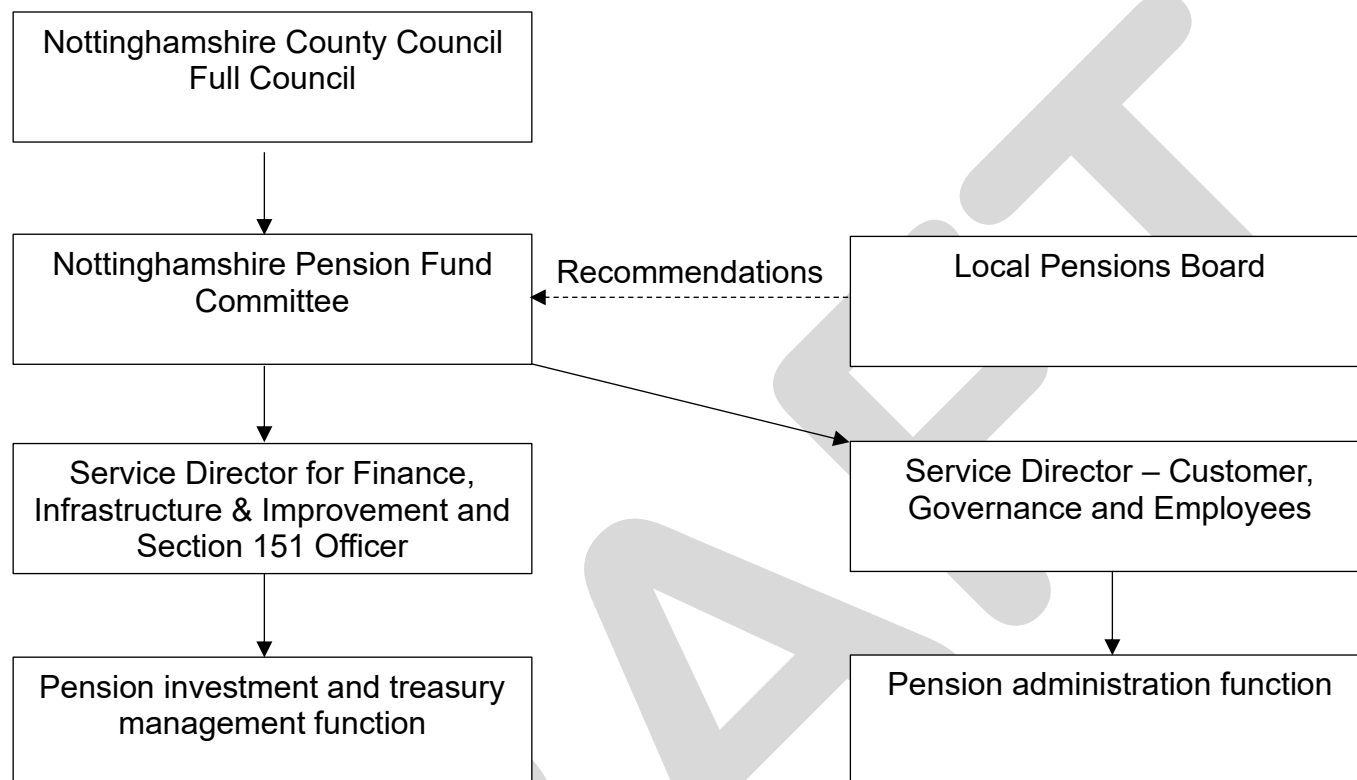
Conflicts of Interest Protocol

The [Conflicts of Interest Protocol](#) sets out how the Fund will manage conflicts of interest for members of the Nottinghamshire Pension Fund Committee (including non-voting co-opted members) and the Local Pensions Board, officers and advisers to the Fund.

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Governance Structure

The following chart shows the governance arrangements for Nottinghamshire Pension Fund:



Nottinghamshire Pension Fund Committee

The functions of the council as Administering Authority of the pension fund are delegated to Nottinghamshire Pension Fund Committee, which has, in turn, delegated operational decision-making in respect of both pensions investments and administration to officers.

The committee is composed of 11 members of Nottinghamshire County Council. They are appointed in accordance with the political balance requirements for local government committees. The Nottinghamshire County Councillors on the committee all have voting rights. The committee also includes 10 co-opted members who do not have voting rights. They represent employers, scheme members and pensioners.

The terms of reference for Nottinghamshire Pension Fund Committee are set out in the council's constitution and can be viewed on the council's website: <https://www.nottinghamshire.gov.uk/dms/Constitution.aspx>.

Local Pensions Board

The Local Pensions Board assists the Administering Authority with securing compliance with the LGPS Regulations and other legislation and ensuring the

effective and efficient governance and administration of the Fund. The Board has eight members, comprising four employer representatives and four member representatives.

The terms of reference for the Local Pensions Board are set out in the council's constitution and can be viewed on the council's website:

<https://www.nottinghamshire.gov.uk/dms/Constitution.aspx>.

Membership, attendance and voting rights

The attendance information shown within this section covers both the 2024/25 financial year, running from 1 April 2024 to 31 March 2025 and the 2024/25 municipal year, which runs from one annual council meeting to the next (in this instance between 16 May 2024 and 22 May 2025).

Nottinghamshire Pension Fund Committee

Table 7: Attendance at Nottinghamshire Pension Fund Committee meetings during 2024/25

	18 Apr 24	13 Jun 24	11 July 24	12 Sep 24	14 Nov 24	12 Dec 24	30 Jan 25 (AGM)	13 Feb 25	13 Mar 25
Nottinghamshire County Council Councillors (All Nottinghamshire County Council members and their substitutes have voting rights)									
Councillor Eric Kerry (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Councillor Sue Saddington (Vice Chair)	✓	✓	✓	✓	✓	✓	✓	Ap	✓
Councillor Richard Butler	✓	✓	✓	✓	✓	Ap	✓	✓	✓
Councillor John Clarke MBE	✓	Ap	✓	Ap	✓	Ap	✓	✓	✓
Councillor Bethan Eddy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Councillor Stephen Garner	✓	✓	✓	✓	✓	✓	Ap	✓	✓
Councillor Roger Jackson	✓	✓	Ap	Ap	✓	Ap	Ap	Ap	Ap
Councillor Sheila Place	Ap	Ap	Ap	Ap	Ap	Ap	Ap	Ap	Ab
Councillor Francis Purdue-Horan	✓	Ap	✓	✓	✓	✓	✓	✓	Ap
Councillor Tom Smith	✓	✓	✓	✓	Ap	✓	✓	✓	✓
Councillor Lee Waters	✓	✓	✓	✓	✓	✓	✓	✓	Ap
Nottinghamshire County Council – substitute members									
Cllr Pauline Allan		✓		✓					
Cllr Jim Creamer	✓	✓	✓	✓	✓	✓	✓	✓	
Councillor Philip Owen			✓						
Councillor John Lee				✓				✓	
Councillor Chris Barnfather					✓	✓	✓		
Councillor Nigel Moxon						✓		✓	
Councillor Errol Henry						✓			

	18 Apr 24	13 Jun 24	11 July 24	12 Sep 24	14 Nov 24	12 Dec 24	30 Jan 25 (AGM)	13 Feb 25	13 Mar 25
Councillor Andre Camilleri									✓
Nottingham City Council Councillor (No voting rights)									
Cllr Graham Chapman	Ab	✓	✓	Ab	✓	Ap	✓	✓	✓
Cllr Zafran Khan	Ap	Ab	Ab	Ab	✓	Ab	Ab	Ab	Ab
Cllr AJ Matsiko	Ap	✓	Ap	✓	Ab	Ab	Ap	Ap	Ab
District / Borough Council Councillors (No voting rights)									
Cllr Dan Henderson, Bassetlaw (until 20 November 2024)	Ab	Ab	Ab	Ab	Ab				
Cllr Davinder Viridi, Rushcliffe (until 14 November 2024)	Ab	Ap	Ab	Ab	Ap				
Cllr Andy Edyvean (from 6 January 2025)							✓	✓	✓
Cllr Darrell Pulk (from 6 January 2025)							Ap	✓	✓
Trade Unions (No voting rights)									
Everton Lewis-Gordon (from 20 May 2024)		✓	Ap	✓	✓	✓	Ap	✓	✓
Yvonne Davidson (until 30 January 2025)	Ap	Ap	Ap	Ap	Ab	Ap			
John Cockcroft (from 30 January 2025)							✓	✓	✓
Scheduled Bodies (No voting rights)									
Sue Reader (until 19 April 2024)	Ap								
Pensioner representative (No voting rights)									
Chris King (from 3 July 2024)			✓	✓	✓	Ap	✓	✓	✓
Vacancy									

A recruitment exercise during 2024/25 filled one of the long-standing pensioner representative vacancies; the second seat remained empty throughout the year. A recruitment exercise also followed the resignation of the Scheduled Bodies representatives but failed to identify any interested candidates. Continued efforts will be made to fill these seats in 2025/26.

During the year both the district/borough council representatives, Councillors Viridi and Henderson, resigned. The opportunity was given to all district and borough councils in Nottinghamshire to put forward the name of any member who was interested in filling one of the vacancies. Had the number of nominations exceeded the number of available seats, Leaders from the constituent authorities would have been asked to reach agreement which representatives would take the places. In total, two nominations were received, matching the number of available seats, and these two councillors filled those vacancies. There was also a change in one of the union representatives. This was filled by the union that was represented by the outgoing member making a direct nomination.

At the committee meeting on 12 September 2024, the following members of the Local Pensions Board were present as guests:

- Thulani Molife (member representative)
- Mark Heppenstall (member representative)
- Councillor Imran Jalil (employer representative – Nottingham City Council)

The Chair of the Local Pensions Board, Thulani Molife was also a guest at the committee's meeting on 14 November 2024, when the committee received the board's annual reviews for 2022-23 and 2023-24.

Working parties

During 2024-25, the committee held the following working parties:

- Listed equity allocations including responsible investment training (11 July 2024)
- Local property fund with Ayr (14 November 2024)
- Strategic asset allocation (30 January 2025)

Table 8 provides an overview of committee members' attendance at working party meetings.

Table 8: Working party attendance

	11 July 2024	14 Nov 2024	30 Jan 2025
Nottinghamshire County Council Councillors			
Councillor Eric Kerry (Chair)	✓	✓	✓
Councillor Sue Saddington (Vice Chair)	✓	✓	Ap
Councillor Richard Butler	✓	✓	✓
Councillor John Clarke MBE	✓	✓	✓
Councillor Bethan Eddy	✓	✓	✓
Councillor Stephen Garner	✓	Ap	Ap
Councillor Roger Jackson	Ap	Ab	Ap
Councillor Sheila Place	Ap	Ap	Ap
Councillor Francis Purdue-Horan	✓	✓	✓
Councillor Tom Smith	✓	Ap	✓
Councillor Lee Waters	✓	✓	✓
Cllr Jim Creamer (substitute)	✓		✓
Nottingham City Council Councillors			
Cllr Graham Chapman	✓	✓	✓
Cllr Zafran Khan	Ap	✓	Ab
Cllr AJ Matsiko	Ab	Ab	Ap

	11 July 2024	14 Nov 2024	30 Jan 2025
District / Borough Council Councillors			
Cllr Dan Henderson, Bassetlaw	Ab	Ab	
Cllr Davinder Viridi, Rushcliffe	Ab	Ap	
Cllr Andy Edyvean (from 6 January 2025)			Ab
Cllr Darrell Pulk (from 6 January 2025)			Ap
Trade Unions			
Everton Lewis-Gordon (from 20 May 2024)	✓	✓	Ap
Yvonne Davidson	Ab	Ab	Ap
John Cockcroft (from 30 January 2025)			
Scheduled Bodies			
Sue Reader (until 19 April 2024)			
Pensioner representative			
Chris King (from 3 July 2024)	✓	✓	✓
Vacancy			
Officers			
Nigel Stevenson			✓
Tamsin Rabbitts	✓	✓	✓
Ciaran Guilfoyle	✓	✓	✓
Jo Toomey	✓	✓	
Adviser to the Fund			
William Bourne	✓	✓	✓

Local Pension Board

Table 9: Attendance at Local Pensions Board meetings during 2024/25

	27 Jun 2024	31 Oct 2024	9 Jan 2025	3 Apr 2025
Employee representatives				
Thulani Molife (Chair)	✓	✓	✓	✓
Mark Heppenstall	✓	✓	✓	✓
Kay Thomason-Vardy (from 2 December 2024)			✓	✓
Employer representatives				
Councillor Reg Adair (Nottinghamshire County Council)	✓	Ap	✓	✓
Councillor Imran Jalil (Nottingham City Council)	✓	✓	✓	Ap
Joanne Mitchell (from 2 December 2024)			✓	✓

All members of the Local Pensions Board have the right to vote on the matters it considers.

The Board went into 2024/25 with four vacancies, two employer representatives and two member representatives. During the year, two of the vacancies were filled following a recruitment exercise; one member representative and one employer representative (representing a small employer). Efforts will continue in 2025/26 to fill the remaining vacancies.

Knowledge, skills and training

At its meeting on 14 November 2024, the Nottinghamshire Pension Fund Committee approved the Fund's Training Strategy. The Training Strategy was drafted to reflect the knowledge and understanding requirements set out in the Pension Regulator's General Code of Practice and the principles contained within the Chartered Institute of Public Finance and Accounting (CIPFA) published guidance on Pensions Knowledge and Skills 2021. It also meets the requirements for members of Local Pensions Boards set out in legislation.

The strategy, which was produced in consultation with the independent advisers for both the committee and board, reflects the eight core areas where appropriate knowledge and skills should be achieved and maintained:

- Pensions legislation and guidance
- Pensions governance
- Funding strategy and actuarial methods
- Pensions administration and communications
- Pensions financial strategy, management, accounting, reporting and audit standards
- Investment strategy, asset allocation, pooling, performance and risk management
- Financial markets and products
- Pension services procurement, contract management and relationship management

The strategy sets out requirements for substantive members of Nottinghamshire Pension Fund Committee and the Local Pensions Board, and substitute members of the Nottinghamshire Pension Fund Committee. It also sets out arrangements around induction.

On 7 March 2024 the committee agreed the conferences at which the Fund would be represented during 2024/25. It also agreed a programme of internal training and events for members of both the Nottinghamshire Pension Fund Committee and the Local Pensions Board.

The Training Strategy requires that each year all members of the Nottinghamshire Pension Fund Committee and the Local Pensions Board complete a Training Needs Analysis. This will be the main method of assessing the knowledge and skills of both individual members and officers, and more widely the collective knowledge of the committee and board. This information will be used to create the training plan for the following year and consider training methods that may be appropriate. The Nottinghamshire Pension Fund Committee agreed the Training Needs Analysis at its

meeting on 13 February 2025. It will be rolled out for the first time following the election on 1 May 2025.

The strategy also covers expectations placed on Fund officers, monitoring and reporting arrangements, and risks around the delivery of the strategy.

Nottinghamshire Pension Fund Committee

During 2024/25 members of the Nottinghamshire Pension Fund Committee were given access to a range of training opportunities, which are set out in table 10.

Table 10: Nottinghamshire Pension Fund Committee training 2024/25

Date	Topic	Provider
22 May 2024	Property	Abrdn
11 July 2024	Responsible investment	LGPS Central
12 September 2024	Cyber	Aon
10 December 2024	Climate risk reporting	LGPS Central

Table 11 shows the members who completed each training session.

Table 11: Nottinghamshire Pension Fund Committee members' attendance at training during 2024/25

Committee member	Property	Responsible investment	Cyber	Climate risk reporting
Voting members				
Councillor Eric Kerry (Chair)	✓	✓	✓	✓
Councillor Sue Saddington (Vice-Chair)	Ap	✓	✓	x
Councillor Richard Butler	✓	✓	✓	✓
Councillor John Clarke MBE	x	✓	Ap	x
Councillor Bethan Eddy	Ap	✓	✓	✓
Councillor Stephen Garner	✓	✓	✓	x
Councillor Roger Jackson	Ap	Ap	Ap	Ap
Councillor Sheila Place	Ap	Ap	Ap	x
Councillor Francis Purdue-Horan	✓	✓	✓	Ap
Councillor Tom Smith	x	✓	x	x
Councillor Lee Waters	x	✓	✓	Ap

Committee member	Property	Responsible investment	Cyber	Climate risk reporting
Substitute members				
Councillor Pauline Allan				
Councillor Jim Creamer			✓	
Non-voting members				
Councillor Graham Chapman (city council rep)	Ap	x	x	Ap
Councillor Zafran Khan (city council rep)	x	Ap	x	✓
Councillor AJ Matsiko (city council)	x	x	x	x
Councillor Dan Henderson (district/borough rep)	x	x	x	
Councillor Davinder Viridi (district/borough rep)	x	x	x	
Yvonne Davidson (trade union rep)	✓	x	Ap	x
Everton Lewis-Gordon (trade union rep from 20 May 2024)		✓	✓	x
Chris King (pensioner rep from 3 July 2024)		✓	✓	Ap
Sue Reader (scheduled bodies rep until 19 April 2024)				

The Fund strongly recommends that both voting and non-voting members of the committee complete the Local Government Association's Fundamental's training. As this training only runs in the autumn, no sessions were available for those appointed to committee from October 2024 onwards.

Table 12: Completion of LGPS Fundamentals by members of Nottinghamshire Pension Fund Committee

Member	Completed
Voting members	
Councillor Eric Kerry (Chair)	Yes
Councillor Sue Saddington (Vice-Chair)	-
Councillor Richard Butler (from 21/02/24)	Yes
Councillor John Clarke MBE	-
Councillor Bethan Eddy	Yes
Councillor Stephen Garner	Yes
Councillor Roger Jackson	Yes
Councillor Sheila Place	Yes
Councillor Francis Purdue-Horan	Yes

Member	Completed
Councillor Tom Smith	Yes
Councillor Lee Waters	Yes
Non-voting members	
Councillor Graham Chapman (city council rep)	Yes
Councillor Zafran Khan (city council rep)	Yes
Councillor AJ Matsiko (city council rep)	-
Councillor Dan Henderson (district/borough rep until 20 November 2024)	-
Councillor Davinder Viridi (district/borough rep until 14 November 2024)	-
Yvonne Davidson (trade union rep until 30 January 2025)	Yes
Everton Lewis-Gordon (trade union rep from 20 May 2024)	Yes
Sue Reader (scheduled bodies rep until 19 April 2024)	CIPFA training
Chris King (pensioner rep from 3 July 2024)	Yes
Councillor Darrell Pulk (district/borough rep from 6 January 2025)	-
Councillor Andy Edyvean (district/borough rep from 6 January 2025)	-
John Cockcroft (trade union rep from 30 January 2025)	-

Local Pension Board

Members of the Local Pension Board also have access to training and conferences. Sessions available to the board during the year were:

Table 13: Local Pensions Board training during 2024/25

Date	Topic	Provider
30 June 2024	Annual report and accounts	John Raisin, Adviser to the Board
12 September 2024	Cyber risk	Aon
31 October 2024	Pooling	John Raisin, Adviser to the Board

Table 14: Local Pension Board Members' attendance at training during 2024/25

Board member	Annual report & accounts	Cyber	Pooling
Member reps			
Thulani Molife (Chair)	✓	✓	✓
Mark Heppenstall	✓	✓	✓
Kay Thomason-Vardy			
Employer reps			
Councillor Reg Adair (Nottinghamshire County Council)	✓	x	Ap
Councillor Imran Jalil (Nottingham City Council)	✓	✓	Ap
Joanne Mitchell			

During the year, the board also received input on the following topics:

- Implementation of the McCloud remedy
- Emerging legislation, including national consultation and developments
- Emerging developments around good governance and the Pension Regulator's General Code

The two new members who joined the Board in-year have completed modules within the Pension Regulator's Public Service toolkit online training. The modules cover the governance and administration of public service pension schemes as described in its code of practice. They cover a range of topics including conflicts of interest, risk breaches of the law and different aspects relevant to the administration of the scheme.

Conference attendance

Both voting and non-voting members of the Nottinghamshire Pension Fund Committee have the chance to attend conferences. There are also opportunities for officers and members of the Local Pensions Board to attend. Representatives of the Fund attended the following conferences:

- LGPS Pooling Symposium, 23-24 April 2024
 - Officers – Tamsin Rabbitts, Ciaran Guilfoyle
- Pension and Lifetime Savings Association Local Authority Conference, 11-14 June 2024
 - Committee member – Councillor Francis Purdue-Horan
 - Board member – Thulani Molife
 - Officer – Nigel Stevenson
- Local Authority Pension Fund Strategic Investment Forum, 1-3 July 2024
 - Committee member – Councillor Eric Kerry
 - Officer – Tamsin Rabbitts
- Local Authority Pension Fund Forum Annual Conference, 4-6 December 2024
 - Officer – Ciaran Guilfoyle
- LGPS Governance Conference, 30-31 January 2025
 - Committee members - Councillor Stephen Garner, Everton Lewis-Gordon
 - Officer – Jo Toomey

Work undertaken in 2024/25

The following tables show the range of business conducted by both the Nottinghamshire Pension Fund Committee and Local Pensions Board. It also provides an indication where matters were the subject of discussion at more than one meeting. Full details about those items that were considered can be found within the papers for each meeting on the Council's website (<https://www.nottinghamshire.gov.uk/dms/Committees.aspx>).

Both the committee and board have their own work programmes, which cover the whole municipal year. These are agreed at each meeting. This helps ensure that both bodies cover all the items they need, and business is managed across the year. Even though the work programmes list items for the year, they are reactive, which means there is scope for items to shift forwards or backwards, or for additional, unplanned items to be considered where they are unexpected or urgent.

Nottinghamshire Pension Fund Committee

Table 15: Nottinghamshire Pension Fund Committee business during 2024/25

Business Item	Committee date							
	18 April 2024	13 June 2024	11 July 2024	12 Sept 2024	14 Nov 2024	12 Dec 2024	13 Feb 2025	13 Mar 2025
Minutes of previous meeting	✓	✓	✓	✓	✓	✓	✓	✓
Apologies for absence	✓	✓	✓	✓	✓	✓	✓	✓
Declarations of interest by members and officers	✓	✓	✓	✓	✓	✓	✓	✓
Work programme	✓	✓	✓	✓	✓	✓	✓	✓
Noting of Chair and Vice-Chair		✓						
Committee membership		✓						
Review of climate action plan	✓							
Climate stewardship plan	✓							
Conference overview	✓ ¹	✓ ²		✓ ³	✓ ⁴		✓ ⁵	✓ ⁶
Proxy voting	✓		✓		✓		✓	
Local Authority Pension Fund Forum	✓		✓		✓			
Consultation response					✓ ⁷	✓ ⁸	✓ ⁹	
Pension Regulator's General Code of Practice	✓				✓			
Pension Fund treasury management outturn		✓						
Independent Adviser's report		✓		✓		✓		✓
Fund valuation and performance (including exempt appendix)		✓		✓		✓		✓

¹ Local Government Pension Scheme conference

² LGPS Pooling Symposium

³ Pension and Lifetime Savings Association – Local Authority Conference 2024

⁴ Local Authority Pension Fund Strategic Investment Forum

⁵ Local Authority Pension Fund Forum Conference 2024

⁶ LGPS Governance Conference 2025

⁷ Government call for evidence on the Pensions Investment Review

⁸ Ministry of Housing, Communities and Local Government consultation on proposals relating to proposed reforms of the structure, investments and governance of the Local Government Pension Scheme

⁹ LGPS Fit for the Future consultation

Business Item	Committee date							
	18 April 2024	13 June 2024	11 July 2024	12 Sept 2024	14 Nov 2024	12 Dec 2024	13 Feb 2025	13 Mar 2025
Fund manager presentations		✓ ¹⁰		✓ ¹¹	✓ ¹²	✓ ¹³		✓ ¹⁴
Lifetime allowances changes			✓					
LGPS Central update			✓					
Department of Levelling Up, Housing and Communities (DLUHC) letter regarding efficiencies in LGPS			✓					
Working party				✓		✓	✓	
Local Pensions Board Annual Review					✓			
Review of Fund Strategies					✓			
Government Actuary's Department Section 13 summary					✓			
Treasury management mid-year report 2024-25					✓			
Pension Fund Annual Report					✓			
Pensions Administration performance report						✓		
Climate Action Plan progress report						✓		
Climate risk management report and Task Force on Climate-related Financial Disclosures						✓		
Risk management strategy						✓		
Risk register						✓	✓	
Pension Fund Treasury Management Strategy Statement 2025-26							✓	
Procurement of an Independent Adviser for the Local Pensions Board							✓	
Conferences and training							✓	

During the 2024/25, the Fund's work programme covered topics across the themes of investment, pensions administration and governance. Much of the business was scheduled, however flexibility was required to accommodate discussion of urgent matters, like the consultations that arose in-year. The breakdown of business indicates that many of the items considered come before the committee once a year, which tends to be down to cyclical reporting, for example, there were multiple treasury management item, but each item was unique as it reflected different stages of the reporting cycle.

¹⁰ Aegon and LGPS Central

¹¹ LGIM and Schroders

¹² Abrdn

¹³ LGPS Central

¹⁴ Aberdeen Investments (Abrdn changed its principal trading name to aberdeen in March 2025)

There was an increase in governance-related business resulting from the publication of the Pension Regulator's General Code of Practice, and the actions the Fund needed to take to ensure compliance. The governance agenda has been further supplemented through the review work with Aon. The new arrangements, the rollout of which started in January 2025, will mean that consideration of risk by committee takes place with greater regularity. As the accountable body for risk management, this will help it take ownership.

There was sufficient capacity in the meeting programme to accommodate all the business to be discussed.

Fund AGM

The following items of business were heard at the Fund's Annual General Meeting, which was held on 30 January 2025:

- Welcome and introduction
- Apologies for absence
- Declarations of interest by members and officers
- Notes of the AGM held on 11 January 2024
- Actuarial issues – presentation by Barnett Waddingham
- Management and financial performance
- Investment performance
- Pensions administration
- Pre-submitted questions

Local Pensions Board

Table 16: Local Pensions Board business during 2024/25

Business Item	Board date			
	27 June 2024	31 Oct 2024	9 Jan 2025	3 Apr 2025
Minutes of previous meeting	✓	✓	✓	✓
Apologies for absence	✓	✓	✓	✓
Declarations of interest by members and officers	✓	✓	✓	✓
Work programme	✓	✓	✓	✓
LGPS update	✓	✓	✓	✓
Membership (including election of Chair)	✓			✓
Local Pensions Board Annual Review 2023-24	✓			
Conference overview	✓ ¹⁵			
Pensions Regulator General Code of Practice	✓		✓	

¹⁵ Local Government Pension Scheme Annual Conference 2024

Business Item	Board date			
	27 June 2024	31 Oct 2024	9 Jan 2025	3 Apr 2025
Pension administration transformation	✓			
Pensions administration performance report			✓	
Risk Management Strategy			✓	
Risk register	✓		✓	✓
LGPS Central & pooling update		✓		
Cyber security		✓		
Pension Administration team focus		✓ ¹⁶	✓ ¹⁷	✓ ¹⁸
Local Pensions Board Code of Practice			✓	

During 2024/25, the Local Pensions Board has enjoyed a busy and varied agenda, covering governance, administration and investment pooling. A particular topic that has been of interest to the Board is risk management, including the cyber agenda.

The Board has also had a key role seeking assurance about the Fund's compliance with the Pension Regulator's General Code of Practice.

The monitoring and supporting role of the Local Pensions Board means that it sees multiple reports on some issues. This allows active monitoring and oversight of priority matters. By effectively carrying out this role, the board can assist in freeing up committee's capacity to exercise those functions of the Administering Authority that have been delegated to it and so that it can deal with urgent and emerging issues.

Annual review

The Local Pensions Board's Annual Review 2024/25 was agreed at its meeting on 2 October 2025, when it endorsed its referral to the Nottinghamshire Pension Fund Committee. It provides commentary on the work undertaken by the board during the year and can be viewed on the Fund's website (<https://www.nottspf.org.uk/about-the-fund/governance-and-strategies/local-pension-board/>).

Conflicts of interest

Nottinghamshire Pension Fund has its own Conflicts of Interest Protocol (<https://www.nottspf.org.uk/about-the-fund/governance-and-strategies/>). This is a new document for the Fund, which was approved by the Nottinghamshire Pension Fund Committee at its meeting on 14 November 2024. In addition to making

¹⁶ Presentation from the Pensions Systems Team

¹⁷ Presentation from the Employer Support and Compliance Team

¹⁸ Presentations from the Technical and Regulations Team

the arrangements for dealing with conflicts of interest for members of the committee and board, it outlines arrangements for officers and advisers to both bodies.

The Conflicts of Interest Protocol complements the process of the county council as the Administering Authority for the pension fund.

The county council's processes require all its councillors to complete a register of their interests, which is published on the council's website. Representatives of the city council or district and borough council who sit on the committee or board have their registers of interest published on the website of the authority that has appointed them. Other committee and board members who are not county councillors or councillors from another local authority, are required to complete a register of interests. The council's democratic services team manages this register.

At the start of each meeting of the committee and board, the chair asks all members whether they have any interests to disclose. Should any member or officer disclose an interest in any item that will be considered, that interest is recorded in the minutes of the meeting and the member or officer may be required to refrain from participating in discussion and / or leave the meeting, as required by the council's Code of Conduct, which is included in the council's constitution (<https://www.nottinghamshire.gov.uk/dms/Constitution.aspx>).

Oversight and governance of the Asset pool

Governance of the Pool is primarily through the Shareholders Forum, governed by a Shareholders Agreement and operating under company law, which has formal decision-making powers. Nottinghamshire Pension Fund has equal voting rights alongside the other participating funds and unanimous decisions are required on key strategic matters. These are specified in the Shareholders Agreement and Articles of Association, and include the appointment and dismissal of the company's senior executives, approval of the company's strategic plan and any significant financial transactions, such as major acquisitions, lending or borrowing.

The Joint Committee, established by an Inter-Authority Agreement, is the forum for dealing with common investor issues and for collective monitoring of the performance of the pool against the agreed objectives of the Pool. However, it has no formal decision-making powers and recommendations require the approval of individual authorities, in accordance with their local constitutional arrangements.

LGPS Central Ltd is regulated by the Financial Conduct Authority (FCA) to ensure appropriate safeguards over the management of client assets. As such LGPS Central Ltd is subject to ongoing oversight by the FCA and those holding key management positions, including the company directors, need to be approved persons, able to demonstrate appropriate knowledge, expertise and track record in investment management. The Directors of LGPS Central Ltd are personally liable for their actions and decisions.

Comprehensive programme governance arrangements are in place to ensure that costs and savings are managed in accordance with the agreed business case. The Section 151 Officers, or their nominated representatives, of each of the participating funds sit on the Practitioners Advisory Forum and regular meetings are held with the

Chair and Vice-Chair of the Pension Fund Committee to ensure effective member oversight of progress and delivery. The Nottinghamshire Pension Fund Committee and the Local Pension Board are also being updated regularly on key developments and decisions.

In addition, the Nottinghamshire Pension Fund Committee receives reports summarising the performance of assets managed by LGPS Central and the company appears before committee to provide updates on investment management and give members an opportunity to ask questions, challenge and seek assurance.

LGPS Central also attend committee meetings and training sessions to provide updates on pooling, investment and stewardship training, the climate action plan and the Taskforce on Climate Related Financial Disclosures report. The Committee also receives regular reports giving information about proxy votes cast on the Fund's behalf.

Other key elements of the governance structure

The Pensions Regulator's new General Code of Practice came into force on 28 March 2024. The code consolidated multiple codes that covered a range of topics and multiple scheme types. It set out new governance requirements and the Pensions Regulator's expectations of how occupational pension schemes should be managed and the policies, practices and procedures that should be in place.

During 2024/25, Nottinghamshire Pension Fund commissioned Barnett Waddingham to undertake a reverse gap analysis of the Fund's compliance with the code. The reverse gap analysis also assessed the Fund's arrangements against the recommendations made by the Scheme Advisory Board's (SAB) governance review, which concluded in 2021.

Of the 53 areas covered by Barnett Waddingham's review, 12 did not apply to the LGPS. Of the remaining 41, 28 did not require the Fund to take further action. There were some areas where the Fund was not required to act in order to be compliant, but it chose to enhance its arrangements and practices. This was particularly in respect of those recommendations raised in response to SAB's good governance review.

Once the gap analysis had been finalised, an action plan to address the recommendations was agreed. Actions included:

- Updates to existing documentation (Governance Compliance Statement, Local Pensions Board Code of Practice, Risk Management Strategy, Administration Strategy, Communications Strategy, Breaches Strategy)
- Inclusion of supplementary information in the Fund's Annual Report (member attendance at meetings and training, and time spent on different areas of governance)
- New Fund documents (Training Strategy, training needs analysis, Conflicts of Interest Protocol)
- Additions to the risk register (business continuity, pensions scams, controls around cyber)

- Review of business continuity arrangements

The expectation of the Pensions Regulator is that Funds would have actions in place to ensure they were compliant by the end of March 2025, or able to demonstrate clear progress with a plan for full compliance. A majority of actions were completed by 31 March 2025, however there were a number of actions where the Fund agreed that implementation dates of either the new financial or municipal years would be more appropriate. There are other pieces of work that are ongoing by their nature, for example the review of the business continuity arrangements.

The Government's 'Fit for the Future' programme has also affected the completion timeline for some actions. For example, an initial review of the Administration Strategy was undertaken in 2024/25 to ensure it was compliant, however a more fundamental review was planned to enhance the document, linking in with a review of the Communications Strategy. As the requirement for an Administration Strategy was included in the 'Fit for the Future' consultation, any new requirements or arrangements arising from that, will need integrating in the updated strategy.



NOTTINGHAMSHIRE
PENSION FUND

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Section 3

Financial performance

Financial performance

Overview of financial performance

This section of the annual report provides an overview of the Fund's financial performance, focused primarily on income, expenditure and cash flows.

In-year expenses, income and variances

From 2023/24 to 2024/25 management expenses for the Fund increased by £1,898k in total. Note 5 of the Fund's accounts show headline information for both 2023/24 and 2024/25. The following sections of the report explore some of the significant variances.

Administration

Table 17: Administration expenses for 2023/24 and 2024/25

	2023/24	2024/25
	£000	£000
Administering Authority Costs	2,781	3,042
Other external fees	361	447
Legal fees	13	38
Printing and stationery	9	4
Administration expenses	3,164	3,532

Administering authority costs relating to administration rose from £3,164k to £3,532k in 2024/25, a variance of approximately £367k. The majority of the increased cost is due an increase in staff costs with lower vacancies and the annual pay award, the higher value Civica contract, plus one-off costs for projects such as the UPM system move to the Civica Cloud, upgrade to the members portal and automation development costs and the cost of the Pension Fund risk register review.

Oversight and governance expenses

Table 18: Oversight and governance expenses for 2023/24 and 2024/25

	2023/24	2024/25
	£000	£000
External Governance fees	1,288	1,370
Administering Authority Costs	398	426
Audit fees	94	153
Subscriptions and membership fees	62	65

	2023/24	2024/25
	£000	£000
Actuarial fees	24	44
Training & conferences	8	5
Legal fees	1	-
Oversight and governance expenses	1,875	2,064

Most of the Fund's oversight and governance expenses for 2024/25 are broadly in line with 2023/24 with increases due to inflation and some minor additional services provided.

Investment management expenses

Table 19: Investment management expenses 2023/24 and 2024/25

	2023/24	2024/25
	£000	£000
Custody fees	256	304
Direct investment management fees	5,051	4,400
Estimated embedded costs within pooled investment funds	16,112	18,058
Other external fees	22	26
Administering Authority Costs	28	22
Investment Management Expenses	21,470	22,811

Direct fees for external investment managers fell by around £651k in 2024/25 to £4,400k following negotiations with managers. The estimated embedded costs within pooled investment funds increased in line with the growth in value of the underlying assets. The fees amount to 0.56% of associated assets in line with the previous year. The increase in custody fees was similarly in line with the increase in value of the underlying assets.

Contributions and payments

The Fund Account for 2024/25 shows a net outflow of £25m from dealings with members, as shown in the table below. Over the last 10 years the net flows have been small and often more than offset by deficit contributions. As the Fund matures the net outflow is expected to increase. However, investment income significantly exceeds this outflow, and the Fund is unlikely to need to sell assets in order to meet pension benefits in the near future.

The number of active members has increased over the year by 3.2%, and this, together with limited pay increases has resulted in the modest increase in contributions both employer and member. Contribution rates for each employer are

set at the triennial actuarial valuation. The last valuation related to 31 March 2022, and the associated rates began on 1 April 2023.

Pension payments increased by 10.5% compared to the previous year. This is due to the high inflation level increasing pensions by 6.7% together with a 5% increase in pensioner numbers.

Table 20: Additions and withdrawals from dealing with members in 2023/24 and 2024/25

	2023/24	2024/25
	£000	£000
Employer contributions	(208,435)	(216,451)
Member contributions	(61,577)	(63,874)
Total Contributions	(270,012)	(280,325)
Transfers in from other pension funds (value of transactions)	(16,005)	(12,862)
Pensions	221,114	244,415
Commutation of pensions and lump sum retirement benefits	38,722	50,265
Lump sum death benefits	6,933	7,587
Total Benefits	266,769	302,267
Payments to and on account of leavers	7,945	15,594
Net (additions)/withdrawals from dealings with members	(11,303)	24,674

Contributions

LGPS employee members pay contributions based on expected pensionable pay. The bandings range from 5.5% to 12.5% in the main section of the scheme and 2.75% to 6.25% in the 50/50 section of the scheme. For 2024/25 the employee contribution rates were as follows:

Table 21: 2024/25 contribution rate depending on scheme section

Actual Pensionable pay	Main section	50/50 section
Up to £17,600	5.5%	2.75%
£17,601 - £27,600	5.8%	2.9%
£27,601 - £44,900	6.5%	3.25%
£44,901 - £56,800	6.8%	3.4%
£56,801 - £79,700	8.5%	4.25%
£79,701 - £112,900	9.9%	4.95%
£112,901 - £133,100	10.5%	5.25%
£133,101 - £199,700	11.4%	5.7%
More than £199,701	12.5%	6.25%

Employers pay contributions based on the Rate and Adjustments certificate and are determined as part of the triennial valuation of the Fund. The valuation as at 31 March 2022 was the basis for the employer contribution rates between 1 April 2023 and 31 March 2026.

Employer rates may be made up of primary and secondary elements. The primary rate is the Fund Actuary's assessment of the employer cost of future pension accruals. The 2022 valuation determined the average primary rate for Fund employers as 19%.

The secondary rate is an adjustment based on the circumstances of that particular employer.

You can view the results of the valuation via the following link:

<https://lgpsboard.org/images/Valuations2022/NottinghamshireValuation2022.pdf>.

Details of the employer and member contributions paid by individual employers during 2024/25 are set out in Section 6 of this annual report, which covers pensions administration.

Overpayments, underpayments, recoveries and write-offs

Membership data is collected annually through an employer return submission. The return is reconciled against contributions received during the scheme year (1 April to 31 March). This process, which is undertaken from early May, sometimes identifies overpayments and underpayments over the scheme year. If there is an imbalance, the employer pays the arrears or takes the credit for any part overpayment as part of their next monthly contribution submission to the Fund.

Regulation 71 of the Local Government Pension Scheme Regulations 2013 allows the Fund to charge interest where the amount owed by the employer within one

month of receiving notice from the Fund of the amount due. During 2024/25, no interest charges were applied in respect of unpaid standard contributions (normal monthly employee and employer contributions due by the 17th of each month following deduction).

Employers are invoiced separately for strain costs; these are payments made by employers relating to the capitalised cost of the early release of benefits.

During 2024/25, strain costs of £2,928,729.58 arising from 62 cases were payable to the Fund. During the year, the Fund wrote-off £313,573.37 in respect of one employer, covering pension strain recharges and an actuarial fee for cessation.

At the end of 2024/25 there were two outstanding long-term debts due to the Fund which related to the same employer (in respect of cessation, and deficit and closure). The value of this was roughly £5,500.

The table below shows the value of pensions overpaid, the amount recovered, and the amount written off by the Fund:

Table 22: Pension overpayments, recoveries and write-offs 2024/25

	Amount (£)	Number of people
Pension overpayments	131,923	517
Pension overpayments recovered	128,780	335
Pension overpayments write offs	3,143	182

When considering the amounts recovered and written off, the figures given may relate to benefits overpaid in previous financial years.

Where a pension is overpaid, the Fund can seek to recover that amount through its access to the council's debt recovery team. If overpayments cannot be recovered the Fund has the ability to take enforcement action. Before pursuing enforcement, the Fund considers the value of the overpayment and the cost of recovery. Where it is considered uneconomic to recover overpayments, the amount is written off. This is reflected in the low average value of the amounts written off.

There are also occasions where it is not possible to recover over-payments because there are no monies left in the estate and all sums have been dispersed in accordance with the will. Where this is the case, the Fund will again look to use the write off process.

Tackling fraud

Nottinghamshire Pension Fund has a duty of care to safeguard pension fund assets. The Fund has a robust system of internal controls to reduce the risk of fraud. These are tested annually as part of the external audit process.

The main potential perpetrators of fraud against the Fund are:

- Scheme members (active and deferred members)
- Pensioners and scheme beneficiaries
- Investment managers
- Suppliers
- Employers
- Employees

Those areas of business where fraud is most likely to occur are:

- Not being notified or late notification of death
- Transfers out
- Payment of pension or pension benefits to the wrong person

Actions the Fund undertakes to reduce its exposure to fraud are described below.

Due diligence is performed on all new investment managers to ensure they are genuine, regulated investment management companies. The Fund does this by seeking references or recommendations from other investors, ensuring contact with multiple individuals at the company, and, where possible, visiting their offices.

Before any payment transaction or authorisation of invoices, processes are in place to verify bank details. Similarly, payroll controls are applied when setting up new pensioners and benefit recipients.

Pre-employment checks and segregation of duties reduce the risk of fraud by employees. Employees are also unable to view their own pension records.

The Fund takes part in the National Fraud Initiative, which is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. Nottinghamshire Pension Fund has also adopted the CIPFA-backed 'Fighting Fraud and Corruption Locally', which is a strategy that has been developed by local authorities and counter fraud experts.

To reduce the risk of fraud, the Fund complies with Regulations and the requirements of the Pensions Regulator.

Towards the end of 2024/25, the Fund began the process of appointing a tracing service to carry out a baseline check of Fund members, including liveness checks, address checking and next of kin identification. The Fund also intends to commission a rolling programme where information is checked quarterly or six monthly. This work is expected to come to fruition during 2025/26.

Measures the Fund is producing with support from Aon that will help protect it against cyberfraud include a cyber strategy and cyber hygiene guidelines. The Fund also benefits from cyber security measures that Nottinghamshire County Council has in place.

Many of the processes used by the pensions administration and investments teams integrate management review. The County Council's internal audit team also has a

rolling programme of reviews, which includes key pension fund processes. This programme covers administration processes, investment processes and treasury management processes.

The following systems and processes are designed to help identify potential fraud and mitigate against it:

- Separation of duties, e.g. people cannot approve a payment they create
- Individuals cannot look at their own pension records
- The Civica Universal Pensions Management (UPM) security system
- Requiring supporting documents in order to process a member's request for benefits, e.g. birth certificate, marriage certificate
- Liveness checks on pensioners where correspondence is returned
- UPM contract includes an identity and verification module
- Participation in the National Fraud Initiative
- The Fund is part of 'Tell us once'
- Access to the national insurance database which allows the fund to check if members have pension provision with other funds and act accordingly

The pension fund recognises the evolving nature of fraud (including pension scams) and keeps its processes under review to ensure they remain sufficient and appropriate for preventing fraud or reducing its likelihood.

Pension scams

Pension scams can occur when members seek to transfer their benefits to a different arrangement, take early retirement or take their benefits early.

The Fund carries out activity to reduce the risk of pension scams as required by section 249B or the Pensions Act 2004 and the Pension Regulator's General Code of Practice.

The Fund helps protect its members by carrying out the required due diligence when any request is made. It also provides information to members on how to identify and avoid a scam in relevant communications to its members, including the Annual Benefit Statement. The Fund also provides access to information and resources through its website that can help members reduce their risk of becoming victims of fraud or, in the unfortunate event that they do fall victim, help them understand the action they need to take.



NOTTINGHAMSHIRE
PENSION FUND

Section 4

Fund account, net assets statement and notes

NOTTINGHAMSHIRE COUNTY COUNCIL PENSION FUND

FUND ACCOUNT

	Notes	2023/24 £000	2024/25 £000
Employer contributions		(208,435)	(216,451)
Member contributions		(61,577)	(63,874)
Contributions	3	(270,012)	(280,325)
Transfers in from other pension funds		(16,005)	(12,862)
Pensions		221,114	244,415
Commutation of pensions and lump sum retirement benefits		38,722	50,265
Lump sum death benefits		6,933	7,587
Benefits	4	266,769	302,267
Payments to and on account of leavers		7,945	15,594
Net (additions)/withdrawals from dealings with members		(11,303)	24,674
Management expenses	5	26,509	28,406
Net (additions)/withdrawals after fund management expenses		15,206	53,080
Investment Income	6	(92,709)	(94,172)
(Profits)/losses on disposal of investments & changes in value		(483,520)	(193,941)
Taxes on income		335	354
Net Returns on Investments		(575,894)	(287,759)
Net (increase)/decrease in net assets available for benefits during the year		(560,688)	(234,679)
Opening net assets of the Fund		6,466,514	7,027,202
Closing net assets of the Fund		7,027,202	7,261,881

NET ASSETS STATEMENT FOR THE YEAR ENDED

	Notes	31 March 2024 £000	31 March 2025 £000
Investment Assets	7 & 8	7,023,222	7,261,231
Investment liabilities		(4,433)	(5,070)
Net Investment Assets		7,018,789	7,256,161
Current assets		21,746	21,237
		7,040,535	7,277,398
Current liabilities		(13,333)	(15,517)
Net assets of the Fund		7,027,202	7,261,881

The net assets of the Fund are available to fund benefits at the end of the reporting period. The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end. The actuarial present value of promised retirement benefits is shown at note 2n.

1. Accounting Policies**(a) Basis of Preparation**

The Pension Fund accounts have been prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2024/25* (the Code). On issues where there is no clear guidance in the Code, reference has been made under the hierarchy of standards to *Financial Reports of Pension Schemes: a Statement of Recommended Practice 2018* (the Pensions SORP) or to individual International Accounting Standards (IAS). Disclosures required by IFRS 9 and 15 have been reflected in the accounts where material.

The accounts have been prepared on a going concern basis, ie. the functions of the Pension Fund will continue in operational existence for the foreseeable future.

(b) Debtors and Creditors

The accruals concept is applied to these accounts in compliance with the Code.

(c) Investments

Pension Fund investments are carried at fair value in accordance with the Code. Fair value is defined as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. Where an active market exists, the quoted market price is used. Where there is no active market, fair value is established by using valuation techniques.

Specific details on the valuation methods for particular classes of assets are listed below:

- Equities traded through a stock exchange are valued at the latest quoted price. Where more than one price is quoted the 'bid' price is used.
- Unit Trusts and managed funds are valued at the closing single price or the bid price where applicable. These reflect the market value of the underlying investments.
- Unquoted securities and pooled private equity investments are valued at fair value by the fund managers based on earnings, revenues and comparable valuations in accordance with industry accepted guidelines. Where these valuations are not available at the time of compiling the financial statements, the most recent valuation is used as an estimate as adjusted for any cash flows before year end as a best estimate of year end valuation.
- The market value of fixed interest investments is based on the 'clean price', i.e. excludes income accrued at 31 March but not yet due for payment.
- Property investments are stated at open market value based on a quarterly independent external valuation in accordance with the Royal Institute of Chartered Surveyors' Valuation Standards at the Net Assets Statement date based on lease terms, nature of tenancies, covenant strength, vacancy levels, estimated rental growth and discount rate.

Transaction costs arising on all investment purchases and sales are included in the Fund Account against 'Profits & losses on disposal of investments & changes in value' by adding to purchase costs and netting against sale proceeds, as appropriate, for all investment types. This achieves consistency between asset classes and ensures all transaction costs are charged to the Fund Account. It also ensures that the financial statements faithfully represent the economic substance of the transactions. The economic substance of purchases and sales of all asset types is to generate returns for the Fund to help mitigate the cost to employers of providing pensions. Transaction costs are ancillary to this purpose.

The change in fair value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised changes in market value.

(d) Investments Income

Income is accounted for on an accruals basis for the following:

- interest on cash deposits and fixed interest securities is accrued on a daily basis.
- dividends from equities are accrued when the stock is quoted ex-dividend.
- rental income from operating leases on properties owned by the Fund is recognised on a straight line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(e) Taxes on Income

UK equity dividends are quoted and accounted for at the net rate. The tax credit, which the Fund is unable to recover, is not recognised (in accordance with the Pensions SORP). Overseas equity dividends are accounted for gross of withholding tax, where this is deducted at source. Partial reclaims of withholding tax, where allowed, are adjusted at the year end by outstanding claims.

(f) Foreign Currencies

Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year-end, as shown in the table below. Purchases and sales of investments in foreign currencies have been accounted for at the spot market rates at the date of transaction. Surpluses and deficits arising on conversion or translation are dealt with as part of the change in market value of investments.

(g) Contributions

Normal contributions, both from the employees and employers, are accounted for in the payroll month to which they relate. The employee rates are determined by statute and vary according to the employee's amount of pensionable pay. Employer contribution rates (and adjustments) differ from employer to employer. These rates are calculated by the Fund's actuary, based on the the overall funding level determined at the triennial valuation when the actuarial present value of promised retirement benefits is compared to the value of the Fund's investments. The most recent actuarial valuation took place in 2022, and the report covering this calculation can be found on the Fund's website at www.nottspf.org.uk/about-the-fund/aims-and-purpose/

(h) Benefits Payable

The scheme provides all members and their nominated beneficiaries with a secure future income, independent of share prices and stock market fluctuations. Pensions paid out also receive an annual cost of living increase. Under the rules of the scheme, members can opt to receive a lump sum retirement grant in addition to a reduced annual pension. Lump sum retirement grants are accounted for from the date of retirement. Where a member can choose whether to take a greater retirement grant in return for a reduced pension these lump sums are accounted for on an accruals basis from the date the option is exercised. Other benefits are accounted for on the date the member leaves the scheme or on death.

(i) Transfers to and from Other Schemes

Transfer values represent the capital sums either receivable (in respect of members from other pension schemes of previous employers) or payable (to the pension schemes of new employers for members who have left the scheme). They take account of transfers where the trustees (or administering authority) of the receiving scheme have agreed to accept the liabilities in respect of the transferring members before the year end, and where the amount of the transfer can be determined with reasonable certainty.

(j) Other Expenses

Management expenses are accounted for on an accruals basis. Expenses are recognised net of any recoverable VAT. Nottinghamshire County Council charges the Fund with the costs it incurs in administering the Fund. Fees and charges within pooled investment vehicles have the effect of reducing the fair value of those investments. These embedded costs are disclosed at note 5.

(k) Property related income

Property related income consists primarily of rental income. Rental income from operating leases on properties owned by the Fund is recognised on a straight line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(l) Additional Voluntary Contributions

The amount of separately invested Additional Voluntary Contributions ("AVCs") paid by members during the year and their value at the net assets statement date are not included in the Pension Fund financial statements in accordance with Regulation 4 (1)(b) of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. Members' AVCs are disclosed in Note 9 of these accounts.

(m) Cash and cash equivalents

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

(n) Actuarial Present Value of Promised Retirement Benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the Fund actuary in accordance with the requirements of IAS19 and relevant actuarial standards, with an actuarial annual roll forward of the value carried out. As permitted under the Code, the Fund has opted to disclose the actuarial present value of promised retirement benefits in Note 2d of these accounts.

(o) Accounting standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 requires disclosure of the expected impact of accounting standards that have been issued but not yet adopted. The standards introduced by the 2025/26 Code where disclosures are required in the 2024/25 financial statements are:

IAS 21 – The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability): Clarifies how to assess whether a currency is exchangeable and how to determine a spot exchange rate when exchangeability is lacking. This is not expected to have a material impact on the Fund.

IFRS 17 – Insurance Contracts: Introduces a comprehensive framework for accounting for insurance contracts. This is not expected to apply to the Fund.

Changes to the measurement of non-investment assets: These include adaptations of IAS 16 and IAS 38, introducing new revaluation and indexation requirements. These changes are not expected to have a material impact on the Fund's financial statements.

(p) Major sources of estimation uncertainty

In applying these accounting policies, the Administering Authority has had to make certain estimates about complex transactions or those involving uncertainty about future events. Estimates and assumptions are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual results could differ from the assumptions and estimates.

Property Investments - Valuation techniques are used to determine the carrying amount of pooled property funds and directly held freehold and leasehold property. Where possible these valuation techniques are based on observable data but where this is not possible management uses the best available data, eg. comparable sales, market trends, zoning, physical condition, location, and environmental factors. The impact of a variation of 10% on valuation is shown in Note 8b.

Level 3 Investments - Private equity, property, infrastructure, and credit funds are valued at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines (2022). Such investments are not publicly listed and there is therefore a degree of estimation - surrounding discounted cashflow forecasts, comparable companies, or precedent transactions - involved in the valuation. The impact of a variation of 20% on valuation is shown in Note 8b.

2. Operation of the Fund

(a) General

Nottinghamshire County Council is the Administering Authority for the Local Government Pension Scheme (LGPS) within Nottinghamshire. The scheme is governed by the Public Service Pensions Act 2013. The Fund is administered in accordance with the following secondary legislation:

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

The LGPS is a statutory scheme administered by individual local authorities. The benefits within the scheme are determined by regulation and are guaranteed by statute. The Pension Fund exists to help defray the cost of paying the pension benefits. Members make contributions to the Fund as specified in the regulations and employers make contributions as determined by the Fund's actuary as part of the triennial valuation of the Fund. All new employees are brought into the scheme automatically, unless a positive election not to participate is received from the employee.

The Authority administers the Pension Fund for over 320 participating employers and over 160,000 members. The employers include Nottinghamshire County Council, Nottingham City Council, District Councils and organisations which used to be part of local government (such as Nottingham Trent University, Colleges, Police civilian staff and Academies). They also include organisations which satisfy the conditions to participate in the LGPS and have been admitted to the Fund by the Authority. In general, these organisations are non-profit making, or are undertaking a service which was, or could be, carried out by a local authority.

The operation of the Fund is set out in a number of published policy statements. Under the Nottinghamshire County Council Constitution, the functions as administering authority of the Fund are delegated to the Nottinghamshire Pension Fund Committee.

The Funding Strategy Statement sets out the aims and purpose of the Fund and details the responsibilities of the administering authority as regards funding the scheme.

The Investment Strategy Statement sets out more detailed responsibilities relating to the overall investment strategy of the Fund including the proposed asset allocation, restrictions on investment types, the type of investment management used and performance monitoring. It also states the Fund's approach to responsible investment and corporate governance issues.

The Communications Strategy Statement details the overall strategy for involving stakeholders in the Fund. A key part of this strategy is a dedicated Fund website (available at www.nottspf.org.uk).

A separate annual report for the Fund is also produced and this, along with previous years' reports, will be accessible via the pension fund website. The annual report includes the accounts and the published policies as well as information on the performance of the Fund.

The accounts of the Fund are set out in these pages. The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 requires:

- a Fund Account showing the changes in net assets available for benefits;
- a Net Assets Statement showing the assets available at the year end to meet benefits;
- supporting notes.

(b) Contributions and Solvency

With effect from 1 April 2008 The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 were introduced. The principal changes from the 1997 regulations were: the replacement, for future service, of the existing benefits structure (based on a pension of 1/80th of pensionable pay for each year of pensionable service plus an automatic lump sum of three times this amount) by one based on 1/60th of pensionable pay for each year of pensionable service and no automatic lump sum. Under the 2008 scheme, employees were required to make percentage contributions by deduction from earnings at a rate between 5.5% and 7.5% depending on salary.

From 1 April 2014 the new Local Government Pension Scheme was introduced for service accruing after that date. This is a career average revalued earnings (CARE) scheme with an accrual rate of 1/49th of pensionable pay and a retirement age linked to the state retirement age. Employee contribution rates in the new scheme range from 5.5% to 12.5% depending on salary.

Employers are required to make such balancing contributions, determined by the Actuary, as will maintain the Fund in a state of solvency, having regard to existing and prospective liabilities.

(c) Actuarial Valuations

As required by the Regulations an Actuarial Valuation of the Fund was carried out as at 31 March 2022. The smoothed market value of the Fund's assets at the valuation date was £6,498 million. The Actuary has estimated that the value of the Fund is sufficient (at Fund level) to meet 100% of its expected future liabilities in respect of service completed to 31 March 2022. The full actuarial valuation report is available on the Fund's website at www.nottspf.org.uk.

The key assumptions used in the Actuarial Valuation are shown below:

	31 March 2022 % pa
Expected investment returns:	
Equities	6.9
Gilts	2.0
Property and Infrastructure	6.4
Discount Rate	4.7
Consumer price inflation (CPI)	2.9
Long term pay increases	3.9
Pension Increases	2.9

The 2022 valuation produced an average employer contribution rate of 21.0%. Employer contributions were certified by the actuaries for the years 2023/24 to 2025/26. For the majority of employers, the rate for future service accrual was certified as a percentage of salary with an additional cash amount specified for deficit recovery.

(d) Actuarial Present Value of Promised Retirement Benefits

The actuarial present value of promised retirement benefits has been calculated by the Fund's actuaries in accordance with IAS 26. To do this, the actuaries rolled forward the value of the Employers' liabilities calculated for the Triennial valuation as at 31 March 2022 allowing for the different financial assumptions required under IAS 26. The assumptions used for the purposes of the IAS 26 calculations (which are consistent with IAS 19) are as follows:

	31 March 2024		31 March 2025	
	% pa	Real % pa	% pa	Real % pa
CPI increases	2.90	-	2.90	
Salary Increases	3.90	1.00	3.90	
Pension Increases	2.90	-	2.90	
Discount Rate	4.90	2.00	5.85	
Mortality assumptions:				
Longevity at 65 for current pensioners				
Men (years)		20.4		20.4
Women (years)		23.3		23.3
Longevity at 65 for future pensioners				
Men (years)		21.7		21.7
Women (years)		24.7		24.7
Estimated return on assets		8.46%		3.78%

Members will exchange half of their commutable pension for cash at retirement.

The net liability under IAS 26 is shown below.

	31 March 2023 £000	31 March 2024 £000	31 March 2025 £000
Present value of funded obligation	6,972,910	7,104,275	6,295,803
Net assets of the fund available to fund benefits	6,466,514	7,018,789	7,256,161
Net Liability/(Assets)	506,396	85,486	(960,358)

The present value of vested obligations is £6,233.7m (£7,027.4m in 2023/24), and of non-vested obligations is £62.1m (£76.8m in 2023/24).

A ruling has been made regarding age discrimination arising from public sector pension scheme transition arrangements put in place when moving from final salary to average salary scheme arrangements. Court of Appeal judgements were made in cases affecting judges' pensions (the McCloud Judgement) and firefighter pensions. The ruling will have implications for the Local Government Pension Scheme which also moved from a final salary to a career average salary scheme. The IAS 26 figures included in the accounts reflect the estimated impact of the McCloud Judgement.

These figures are presented only for the purposes of IAS 26. They are not relevant for calculations undertaken for funding purposes or for other statutory purposes under UK pensions legislation.

Virgin Media Court Case

We have made no adjustment to the accounting balance sheet in respect of the June 2023 legal judgement concerning Section 37 certificates. This decision reflects the fact that the ruling currently applies only to a named private sector pension scheme. Although the judgement was appealed, the Court of Appeal upheld the original decision in July 2024.

At present, it is unclear whether Section 37 certificates exist for all historic amendments to public service pension schemes, including the LGPS. It is also unknown whether any remedy will be required, or what the financial implications of such a remedy might be. In response to these uncertainties, pension bodies have asked the Department for Work and Pensions (DWP) to consider pragmatic solutions, such as enabling retrospective certification.

On 5 June 2025, the government confirmed its intention to introduce legislation to address the issues raised by the judgement. The proposed legislation will allow affected schemes to retrospectively obtain actuarial confirmation that historic benefit changes met the necessary standards, while affirming that scheme obligations will otherwise remain unchanged.

Nottinghamshire County Council Pension Fund management will continue to monitor developments and will assess any implications for the Fund as further guidance becomes available.

(e) Investment Strategy

The investment strategy of the Fund is designed to maximise growth within acceptable risk parameters to help meet the future liabilities. The powers of investment are governed by the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The current investment policy is set out in the Fund's Investment Strategy Statement, a copy of which is available on the Pension Fund website.

The Nottinghamshire Pension Fund Committee is responsible for determining the investment strategy of the Fund and the type of investment management to be used. The Committee consists of eleven elected County Councillors (voting members), three representatives of Nottingham City Council, two representatives of the District Councils, two representatives of the Trade Unions, a representative elected by the other scheduled and admitted bodies, and two appointed pensioner representatives (non-voting members). Meetings are also attended by an independent adviser and representatives of the Chief Financial Officer.

The investments were managed by officers of the Authority or by organisations specialising in the management of pension fund assets. The Nottinghamshire Pension Fund Committee was responsible for monitoring performance of the fund and met on a quarterly basis to review the Fund's main investment managers and their performance.

(f) Critical Judgements

The Fund's investment portfolio includes a number of directly owned properties which are leased commercially to various tenants. The Fund has determined that these contracts all constitute operating lease arrangements under the classifications permitted by the Code, therefore the properties are retained on the net asset statement at fair value. Rental income is recognised in the fund account on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. if there is a premium paid at the inception of the lease).

(g) External Audit

A separate fee is payable to Forvis Mazars LLP for audit of the Pension Fund. All fees have been included in the accounts for the period to which they relate. The fee for 2024/25 is £105,427 (£94,120 for 2023/24).

3. Analysis of Contributions

	Employers		Members		Total	
	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000
Administering Authority						
Normal	47,601	50,097	14,970	15,682	62,571	65,779
Deficit Recovery	3,880	2,050	-	-	3,880	2,050
Other	288	216	24	20	312	236
	<u>51,769</u>	<u>52,363</u>	<u>14,994</u>	<u>15,702</u>	<u>66,763</u>	<u>68,064</u>
Scheduled Bodies						
Normal	132,753	139,043	43,839	45,535	176,592	184,578
Deficit Recovery	13,646	11,735	-	-	13,646	11,735
Other	2,370	5,842	423	417	2,792	6,259
	<u>148,769</u>	<u>156,620</u>	<u>44,261</u>	<u>45,951</u>	<u>193,031</u>	<u>202,571</u>
Admitted Bodies						
Normal	6,815	6,510	2,319	2,221	9,134	8,730
Deficit Recovery	1,076	86	-	-	1,076	86
Other	6	872	2	1	8	873
	<u>7,896</u>	<u>7,468</u>	<u>2,321</u>	<u>2,222</u>	<u>10,218</u>	<u>9,690</u>
Total	208,435	216,451	61,577	63,874	270,012	280,325
Transfers in			433	447		
Transfers out			(436)	(393)		

4. Analysis of Benefits

	2023/24 £000	2024/25 £000
Pensions	221,114	244,415
Commutation and lump sum	38,722	50,265
Lump sum death benefits	6,933	7,587
	<u>266,769</u>	<u>302,267</u>
Comprising of:		
Administering Authority	95,976	106,710
Scheduled Bodies	157,526	180,657
Admitted Bodies	13,267	14,901
	<u>266,769</u>	<u>302,267</u>

5. Management Expenses

	2023/24 £000	2024/25 £000
Administering Authority Costs	2,781	3,042
Other external fees	361	447
Legal fees	13	38
Printing and stationery	9	4
Administration expenses	<u>3,164</u>	<u>3,532</u>
External Governance fees	1,288	1,370
Administering Authority Costs	398	426
Audit fees	94	153
Subscriptions and membership fees	62	65
Actuarial fees	24	44
Training & conferences	8	5
Legal fees	1	-
Oversight and governance expenses	<u>1,875</u>	<u>2,064</u>
Custody fees	256	304
Investment management fees	5,051	4,400
Estimated embedded costs within pooled investment funds	16,112	18,058
Other external fees	22	26
Administering Authority Costs	28	22
Investment Management Expenses	<u>21,470</u>	<u>22,811</u>
Total Management Expenses	<u>26,509</u>	<u>28,406</u>

The investment management fees shown above are those fees attributable to external managers and charged directly to the Fund. Additional fees and charges are incurred through pooled investment vehicles, which reduce the fair value of the investments. The estimated embedded costs within pooled investment vehicles were £18.1 million or 0.56% of the associated assets in 2024/25 (£16.1 million or 0.56% in 2023/24). These embedded costs are not charged separately to Management Expenses but are disclosed here for transparency, in line with the Accounting Policy.

6. Investment Income

Analysis by type of investment	2023/24 £000	2024/25 £000
Interest from fixed interest securities	(4,659)	(8,430)
Interest from index-linked securities	(44)	(192)
Dividends from equities	(47,646)	(47,767)
Income from pooled investment vehicles	(3,962)	(2,746)
Income from pooled property vehicles	(6,277)	(5,923)
Net rents from property	(18,966)	(20,656)
Interest on cash deposits	(9,188)	(8,082)
Other	(1,967)	(376)
	<u>(92,709)</u>	<u>(94,172)</u>
Analysis of property rents:		
Rental income	(21,201)	(22,431)
Less operating expenses	2,235	1,775
Net rents from property	<u>(18,966)</u>	<u>(20,656)</u>

The future minimum lease payments receivable by the Fund are as follows:

	2023/24 £000	2024/25 £000
Within one year	21,416	23,236
Between one and five years	77,256	79,880
Later than five years	155,089	142,704
Future lease payments due under existing contracts	253,761	245,820

7. Investments

(a) Investment Analysis	31 March 2024 £000	31 March 2025 £000
Fixed Interest Securities		
UK Public Sector	134,148	250,097
UK Other	26,809	129,560
Index Linked Securities		
Public Sector	33,922	352,450
Equities		
UK	814,653	725,588
Overseas	1,035,154	845,219
Unlisted	2,000	2,000
Pooled Investment Vehicles		
Unit Trusts	1,579,678	1,723,219
Other Managed Funds	2,487,762	2,357,817
Pooled Vehicles Invested in Property		
Property Unit Trusts	127,199	116,067
Other Managed Funds	201,606	185,796
Property	396,300	421,525
Cash and Currency	163,995	130,979
Total Investments	7,003,226	7,240,317

(b) Reconciliation of Opening and Closing Values of Investments 2024/25

	Value at 31 March 2024 £000	Purchases at Cost £000	Proceeds of Sales £000	Embedded Fees £000	Change in Market Value £000	Value at 31 March 2025 £000
Fixed Interest Securities	160,957	333,005	(111,163)		(3,142)	379,657
Index Linked Securities	33,922	344,437	-		(25,909)	352,450
Equities	1,851,807	809,864	(1,157,668)		68,804	1,572,807
Pooled Investment Vehicles	4,067,441	381,274	(505,458)	(18,058)	155,836	4,081,036
Property Pooled Vehicles	328,804	7,387	(13,378)		(20,950)	301,863
Property	396,300	5,923	-		19,302	421,525
	6,839,231	1,881,890	(1,787,667)	(18,058)	193,941	7,109,338
Cash deposits	163,995					130,979
	7,003,226					7,240,317

Reconciliation of Opening and Closing Values of Investments 2023/24

	Value at 31 March 2023 £000	Purchases at Cost £000	Proceeds of Sales £000	Embedded Fees £000	Change in Market Value £000	Value at 31 March 2024 £000
Fixed Interest Securities	220,346	15,696	(75,089)		4	160,957
Index Linked Securities	-	30,012	-		3,910	33,922
Equities	1,663,353	465,313	(461,009)		184,150	1,851,807
Pooled Investment Vehicles	3,695,952	99,038	(28,578)	(16,112)	317,141	4,067,441
Property Pooled Vehicles	354,310	28,909	(31,334)		(23,080)	328,804
Property	394,825	80	-		1,395	396,300
	6,328,786	639,048	(596,010)	(16,112)	483,520	6,839,231
Cash deposits	107,288					163,995
	6,436,074					7,003,226

Transaction costs are included in the cost of purchases and sale proceeds. The costs charged directly to the Fund, such as fees, commissions and stamp duty, amounted to £2.1 million in 2024/25 (£1.9 million in 2023/24). In addition, indirect costs are incurred through the bid-offer spread on investments. This amount is not separately provided. All net gains and losses on financial instruments relate to financial assets held at fair value through profit and loss. In 2024/25, the net gain on financial assets and financial liabilities measured at fair value was £193.9m (£483.5m in 2023/24).

(c) Management Arrangements

The assets of the Fund are managed within six portfolios and a breakdown of these as at the Net Assets Statement date is shown below:

	31 March 2024 £000		31 March 2025 £000	
Core Index (LGIM)	1,462,071	20.9%	1,269,602	17.5%
Schroder Active Equities	2,037,769	29.0%	1,657,819	22.9%
LGPS Central	1,383,991	19.8%	1,987,593	27.5%
Fixed Interest (Aegon)	26,809	0.4%	134,966	1.9%
Property (abrdn)	523,630	7.5%	530,388	7.3%
Specialist (In house)	1,568,957	22.4%	1,659,950	22.9%
Total	7,003,226	100.0%	7,240,317	100.0%

The following investments represent over 5% of the net assets of the Fund.

	Market Value 31 March 2024 £000 % of Fund		Market Value 31 March 2025 £000 % of Fund	
Aegon Diversified Growth Fund	357,020	5.4%	501,956	6.9%
Legal & General UK Equity Index	486,877	7.0%	454,260	6.3%

(e) Property

Direct property is shown at the open market value as at 31 March 2025 (as defined by the International Valuation Standards Committee) as determined by Knight Frank LLP.

The analysis of property is:

	31 March 2024 £000	31 March 2025 £000
Freehold	369,225	390,650
Leasehold more than 50 years	27,075	30,875
	396,300	421,525

Details of movements on directly owned properties are as follows:-

	31 March 2024 £000	31 March 2025 £000
Opening balance	394,825	396,300
Additions:		
Purchases	(21)	3,933
New construction	-	1,956
Subsequent expenditure	101	34
Net increase/(decrease) in market value	1,395	19,302
Closing balance	396,300	421,525

Note that final cash adjustments to property purchases made in a prior year may appear as a negative figure in the year in which they are reported.

(g) Private Equity, Infrastructure and Credit Funds

Commitments to these funds are drawn over time as underlying investments are made. Total undrawn commitment as at 31 March 2025 was £271.8m (£384.6m at 31 March 2024).

8. Financial Instruments and Property Investments

- (a) The various financial instruments held by the Fund are valued at fair value or amortised cost. The following tables analyse the value of financial assets and liabilities by asset class.

Property assets are not included in this table as they are not financial instruments. The table is otherwise consistent with the figures in note 7.

	Financial assets measured at Fair Value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000	Totals £000
31 March 2025				
Financial Assets				
Fixed Interest Securities	379,657	-	-	379,657
Index Linked Securities	352,450	-	-	352,450
Equities	1,572,807	-	-	1,572,807
Pooled Investment Vehicles	4,081,036	-	-	4,081,036
Property Pooled Vehicles	301,863	-	-	301,863
Cash deposits	-	130,979	-	130,979
Other investment balances	-	20,914	-	20,914
	6,687,813	151,893	-	6,839,706
Financial Liabilities				
Investment Liabilities	-	-	(5,070)	(5,070)
	6,687,813	151,893	(5,070)	6,834,636
31 March 2024				
Financial Assets				
Fixed Interest Securities	160,957	-	-	160,957
Index Linked Securities	33,922	-	-	33,922
Equities	1,851,807	-	-	1,851,807
Pooled Investment Vehicles	4,067,440	-	-	4,067,440
Property Pooled Vehicles	328,805	-	-	328,805
Cash deposits	-	163,995	-	163,995
Other investment balances	-	19,996	-	19,996
	6,442,931	183,991	-	6,626,922
Financial Liabilities				
Investment Liabilities	-	-	(4,433)	(4,433)
	6,442,931	183,991	(4,433)	6,622,489

No financial assets were reclassified during the accounting period.

- (b) The valuation of investments has been classified into three levels according to the quality and reliability of information used to determine fair values.

Level 1	Fair values derived from quoted market price. - this includes all quoted equity, fixed interest and index linked instruments and quoted funds.
Level 2	Fair values derived from valuation techniques based significantly on observable inputs. - this includes unquoted funds containing equity, fixed interest and index linked instruments and unquoted property funds which are regularly traded.
Level 3	Fair values derived from valuation techniques where at least one significant input is not based on observable market data. - this includes unquoted securities and investments in private equity funds. - following IFRS13 guidance property and property funds are generally classified as level 3.

In the table below all private equity, infrastructure, credit, and property funds are considered level 3 (except for the Aegon (Kames) Active Beta Property Fund which, since it is 'active', is level 2). All listed securities are level 1, except for listed funds that hold underlying unquoted funds and so are considered level 2.

The basis of valuation, inputs and key sensitivities for level 2 and 3 investments are described below.

Description of asset	Basis of valuation	Observable inputs	Unobservable inputs	Key sensitivities affecting the valuations provided
Unquoted pooled fund investments (Level 2)	Average of broker prices	Evaluated price feeds		Not required
Funds where regular trading takes place (Level 2)	Closing bid price	NAV-based pricing set on a forward pricing basis		Not required
Pooled property funds where no regular trading takes place (Level 3)	Property fund valuations are based on an independent external valuation at the Net Assets Statement date.	<ul style="list-style-type: none"> • lease terms • vacancy levels • discount rate 	<ul style="list-style-type: none"> • nature of tenancies • covenant strength • estimated rental growth 	General changes to market prices affecting specific sectors of the property rental market.
Freehold and leasehold properties (Level 3)	Property investments are stated at open market value based on a quarterly independent external valuation in accordance with the Royal Institute of Chartered Surveyors' Valuation Standards at the Net Assets Statement date.	<ul style="list-style-type: none"> • lease terms • vacancy levels • discount rate 	<ul style="list-style-type: none"> • nature of tenancies • covenant strength • estimated rental growth 	Significant changes in rental growth, vacancy levels or the discount rate could affect valuations as could more general changes to market prices
Unquoted Private Equity securities (Level 3)	Pooled private equity investments are valued at fair value by the fund managers in accordance with industry accepted guidelines.	<ul style="list-style-type: none"> • earnings • revenues 	Valued in accordance with International Private Equity and Venture Capital Valuation Guidelines (2022)	Valuations could be affected by post balance sheet events, changes to expected cashflows, or by any differences between audited and unaudited accounts
Unquoted Infrastructure securities (Level 3)	Pooled infrastructure investments are valued at fair value by the fund managers in accordance with industry accepted guidelines.	<ul style="list-style-type: none"> • earnings • revenues 	• comparable valuations	Changes in regulation, revision of cost assumptions, post balance sheet events, changes to expected cashflows, or by any differences between audited and unaudited accounts
Unquoted Credit securities (Level 3)	Pooled credit investments are valued at fair value by the fund managers in accordance with industry accepted guidelines.	<ul style="list-style-type: none"> • earnings • revenue 	<ul style="list-style-type: none"> • comparable valuations • credit worthiness assessments 	Post balance sheet events, changes to expected cashflows, or by any differences between audited and unaudited accounts

As at 31 March 2025	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial Assets				
Fair value through profit and loss				
Financial instruments	2,302,914	3,181,178	1,203,721	6,687,813
Non Financial Assets				
Fair value through profit and loss				
Freehold and leasehold property	-	-	421,525	421,525
Total	2,302,914	3,181,178	1,625,246	7,109,338

As at 31 March 2024	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial Assets				
Fair value through profit and loss				
Financial instruments	2,328,309	2,936,471	1,178,151	6,442,931
Non Financial Assets				
Fair value through profit and loss				
Freehold and leasehold property	-	-	396,300	396,300
Total	2,328,309	2,936,471	1,574,451	6,839,231

Reconciliation of Fair Value measurements within Level 3

	Freehold and leasehold property £000	Unquoted securities £000
Market value 1 April 2024	396,300	1,178,151
Purchases during the year	5,923	10,866
Sales during the year	-	(8,926)
Unrealised gains / (losses)	22,468	14,704
Realised gains / (losses)	(3,166)	8,926
Market value 31 March 2025	421,525	1,203,721
Market value 1 April 2023	394,825	1,000,676
Purchases during the year	80	10,254
Sales during the year	-	(3,536)
Unrealised gains / (losses)	4,561	147,941
Realised gains / (losses)	(3,166)	22,816
Market value 31 March 2024	396,300	1,178,151

Sensitivity of assets valued at level 3

	Assessed valuation range (+/-)	Value at 31 March 2025 £000	Value on increase £000	Value on decrease £000
Freehold and leasehold property	10%	421,525	463,678	379,373
Unquoted securities	20%	1,203,721	1,444,465	962,977
Total		1,625,246	1,908,143	1,342,350

	Assessed valuation range (+/-)	Value at 31 March 2024 £000	Value on increase £000	Value on decrease £000
Freehold and leasehold property	10%	396,300	435,930	356,670
Unquoted securities	20%	1,178,151	1,413,781	942,521
Total		1,574,451	1,849,711	1,299,191

The potential movement of 20% for unquoted securities is derived from changes in the underlying profitability of component companies/partnerships noting that the components are forward priced.

(c) Nature and extent of risks arising from financial instruments

The aims of the Fund are to:

- manage employers' liabilities effectively
- ensure that sufficient resources are available to meet all liabilities as they fall due
- maximise the returns from investments within reasonable risk parameters
- enable employer contribution rates to be kept as nearly constant as possible and at reasonable cost to the taxpayers, scheduled, resolution and admitted bodies.

The key risks to the achievement of these aims, as well as measures to mitigate those risks, are set out in the various Fund policies (available at www.nottspf.org.uk) including:

- Investment Strategy Statement
- Funding Strategy Statement
- Governance Compliance Statement
- Risk Management Strategy and Risk Register

The Risk Register identifies the highest risks as arising from:

- Inadequate resources are available to manage the Pension Fund
- Fund assets are assessed as insufficient to meet long term liabilities
- Standing data and permanent records are not accurate
- Significant variations from assumptions used in the actuarial valuation

Actions have been agreed to mitigate these risks.

The Fund's primary risk is that its assets fall short of its long term liabilities. The Funding Strategy Statement states that the funding objectives are to:

- Set levels of employer contribution rates to target a 100% funding level over an appropriate time period and using appropriate actuarial assumptions, while taking into account the different characteristics of participating employers.
- Build up the required assets in such a way that employer contribution rates are kept as stable as possible, with consideration of the long-term cost efficiency objective.

The most significant effect on the funding level arises from changes in the discount rate used by the actuaries. The Fund was assessed at the last triennial valuation as being fully funded.

The Fund continues to receive significant investment income and is therefore unlikely to need to sell assets in order to meet pension benefits in the near future. This allows the Fund to implement a long term investment strategy and minimise the impact of short term fluctuations in investment and currency markets. The strategy, and the assumptions that underpin it, are reviewed on a regular basis and cash flows are monitored closely to ensure there is sufficient liquidity to meet forecast cash flows.

The investment strategy is aimed at achieving best returns in line with the requirements of the triennial valuation whilst minimising risk and overall variability in future employers' contribution rates. Specific risks arising from financial instruments include market risk, interest rate risk, currency risk, credit risk and liquidity risk (described in more detail below). These risks are managed within the Fund through diversification of assets, careful selection of managers and counter parties, and prudent treasury management. The level of risk in the equities block is managed by a balance between passive and active management.

Policies are reviewed regularly to reflect changes in activity and in market conditions. Responsibility for reviewing and revising the policies rests with the Nottinghamshire Pension Fund Committee.

Market risk

Market risk is the risk of loss from fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The fund is exposed to market risk from its investment activities, particularly through its equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements and the asset mix. The objective of the fund's risk management strategy is to identify, manage and control market risk exposure within acceptable parameters, while optimising investment return.

In consultation with its advisers, the Fund has determined that the following movements in market price risk are reasonably possible in 2025/26. Data is provided on the basis of a 1 standard deviation move, which might be expected to happen either up or down approximately one year in three. It is assumed that all other variables, in particular foreign exchange rates and interest rates, remain the same. The same table from the previous year is shown as a comparator.

Asset type	Value as at 31 March 25 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease £000
Fixed interest bonds	716,897	11.2%	797,189	636,605
Index Linked Securities	352,450	13.3%	399,326	305,574
UK Equities	1,081,389	17.6%	1,271,713	891,065
Overseas equities	2,678,133	18.3%	3,168,231	2,188,035
Property	743,846	10.7%	823,438	664,254
Private Equity	254,609	22.9%	312,914	196,304
Infrastructure	531,726	15.7%	615,207	448,245
Credit	248,332	8.9%	270,434	226,230
Multi-asset	501,956	12.1%	562,693	441,219
Total	7,109,338		8,221,145	5,997,531

Asset type	Value as at 31 March 24 £000	Potential market movements (+/-)	Value on increase £000	Value on decrease £000
UK Fixed interest	160,957	10.7%	178,179	143,735
Global Fixed interest	321,386	8.0%	347,097	295,675
Index Linked Securities	33,922	15.9%	39,316	28,528
UK Equities	1,201,156	16.6%	1,400,548	1,001,764
Overseas equities	3,041,433	17.3%	3,567,601	2,515,265
Property	746,145	10.0%	820,760	671,531
Private Equity	226,769	21.5%	275,524	178,014
Infrastructure	507,432	14.6%	581,517	433,347
Credit	243,011	10.1%	267,555	218,467
Multi-asset	357,020	10.0%	392,722	321,318
Total	6,839,231		7,870,819	5,807,643

Interest rate risk

The fund invests in financial assets for the primary purpose of obtaining a return on investments. These investments are subject to interest rate risks, which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Long-term average rates are expected to move less than 1% from one year to the next.

A 1% increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value, and vice versa. Changes in interest rates do not impact on the value of cash balances but they will affect the interest income received on those balances.

The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/- 1% change in interest rates. Comparator tables from the previous year are also shown.

Exposure to interest rate risk from directly held investments	Asset values as at 31 March 25	Impact of 1% decrease	Impact of 1% increase
	£000	£000	£000
Cash	130,979	130,979	130,979
Fixed interest bonds	716,897	946,769	487,025
Total	847,876	1,077,748	618,004

Exposure to interest rate risk from directly held investments	Asset values as at 31 March 24	Impact of 1% decrease	Impact of 1% increase
	£000	£000	£000
Cash	163,995	163,995	163,995
Fixed interest bonds	160,957	226,923	94,991
Total	324,952	390,918	258,986

The Fund is also indirectly exposed to interest rate risk within some pooled investments.

Exposure to interest rate risk	Interest receivable 2024/25	Value on 1% increase	Value on 1% decrease
	£000	£000	£000
Cash	(8,082)	(9,702)	(6,462)
Fixed interest bonds	(8,430)	(8,430)	(8,430)
Total	(16,512)	(18,132)	(14,892)

Exposure to interest rate risk	Interest receivable 2023/24	Value on 1% increase	Value on 1% decrease
	£000	£000	£000
Cash	(9,188)	(11,004)	(7,372)
Fixed interest bonds	(4,659)	(4,659)	(4,659)
Total	(13,847)	(15,663)	(12,031)

Currency risk

Currency risk represents the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on any cash balances and investment assets not denominated in sterling. The Fund considers the likely volatility associated with foreign exchange movements to be not more than 15%. A 15% strengthening/weakening of the pound against the various currencies in which the Fund holds investments would increase/decrease the net assets available to pay benefits as follows.

Assets directly exposed to currency risk	Asset value as at 31 March 25	Potential market movement	Value on increase	Value on decrease
	£000	£000	£000	£000
Overseas equities	845,219	126,783	972,002	718,436
Overseas pooled funds	326,866	49,030	375,896	277,836
Foreign currency	0	0	0	0
Total change in assets available to pay benefits	1,172,085	175,813	1,347,898	996,272

Assets directly exposed to currency risk	Asset value as at 31 March 24	Potential market movement	Value on increase	Value on decrease
	£000	£000	£000	£000
Overseas equities	1,035,154	155,273	1,190,427	879,881
Overseas pooled funds	264,508	39,676	304,184	224,832
Total change in assets available to pay benefits	1,299,662	194,949	1,494,611	1,104,713

The Fund is also indirectly exposed to currency risk within other investments.

Credit risk

Credit risk represents the risk that the counterparty to a financial transaction will fail to discharge an obligation and cause the Fund to incur a financial loss. The market values of investments generally reflect an assessment of credit in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of the Fund's financial assets and liabilities. The selection of high-quality counterparties, brokers and financial institutions minimises credit risk that may occur through the failure of third parties to settle transactions in a timely manner. The Fund has also set limits as to the maximum sum placed on deposit with individual financial institutions. Money market funds chosen all have AAA rating.

The Pension Fund has experienced no defaults from fund managers, brokers or bank accounts over the past five years.

Liquidity risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The pension fund therefore takes steps to ensure that it always has adequate cash resources to meet its commitments through its daily treasury management processes. This cashflow planning and management ensures that the Fund's liquidity risk is low. The Fund's cash holding under its treasury management arrangements at 31 March 2025 was £125.5m (the holding on 31 March 2024 was £164.0m).

9. Members Additional Voluntary Contributions

The Nottinghamshire Fund provides an additional voluntary contribution (AVC) scheme to enable members to purchase additional benefits. Contributions are paid over to, and invested separately by, the two scheme providers: Prudential and Scottish Widows. The contributions are not included in the Fund's accounts in accordance with regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The value of the separately invested AVCs is shown below.

	31 March 2024 £000	31 March 2025 £000
Prudential		
AVCs paid by members	1,988	3,305
Values of separately invested AVCs	19,916	21,399
Scottish Widows		
AVCs paid by members	not provided	not provided
Values of separately invested AVCs	not provided	not provided

10. Related Party Transactions

Under IAS 24, a party is related to an entity if:

- the party is a member of the key management personnel
- the party is a post-employment benefit plan for the benefit of employees of the entity.

The purpose of related party disclosures is to provide information on transactions and balances that could have an effect on the operations or financial position of an entity. For example, related parties may enter into transactions that unrelated parties would not and transactions between related parties may not be made at the same amounts as between unrelated parties.

Disclosures are required for:

- the nature of the related party relationship.
- key management personnel compensation.
- information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the financial statements.

Nottinghamshire County Council is the administering authority for the Local Government Pension Scheme (LGPS) within Nottinghamshire and is one of the major employers within the scheme. During the reporting period, the Council incurred costs of £3.5m (£3.2m in 2023/24) in relation to the administration and management of the Fund and was reimbursed by the Fund for these expenses.

Information regarding key management personnel is provided within the main accounts of Nottinghamshire County Council. The proportion recharged to the Pension Fund for 2024/25 is as follows:-

Post Holder information (Post title and name (where applicable))	Note	Salary (including fees & allowances) £	Expenses £	Compen- sation for Loss of Office £	Employer Pension contri- butions* £	Total Remun-eration £
Service Director (Customers, Governance and Employees)	1	16,939	-	-	2,796	19,735
Service Director (Finance, Infrastructure & Improvement)	2	28,231	35	-	4,660	32,926

*Pension Contributions are estimated at 20.6% to account for the pensions deficit and are adjusted in accordance with IAS19

1. The Service Director for Customers, Governance and Employees has the statutory responsibility of the Monitoring Officer.

2. The post of Service Director (Finance, Infrastructure and Improvement) has the statutory responsibility of S151 Officer.

Comparative costs from 2023/24 are as follows:

Post Holder information (Post title and name (where applicable))	Note	Salary (including fees & allowances) £	Expenses £	Compen- sation for Loss of Office £	Employer Pension contri- butions* £	Total Remun-eration £
Service Director (Customers, Governance and Employees)		16,525	-	-	7,552	24,077
Service Director (Finance, Infrastructure & Improvement)		22,034	64	-	10,069	32,167

Members and officers of the Council involved in managing the Fund are allowed to be members of the LGPS. All transactions between Nottinghamshire County Council and the Fund and all benefit payments from the Fund are in accordance with the regulations governing the LGPS. There are no transactions therefore that are made on a different basis from those with non-related parties.

LGPS Central Ltd has been established to manage investment assets on behalf of eight LGPS funds across the Midlands. It is jointly owned in equal shares by the eight administering authorities participating in the Pool and is a joint venture in accordance with IFRS 11. Control of LGPS Central Ltd is primarily through the Shareholders Forum, governed by a Shareholders Agreement and operating under company law, which has formal decision making powers. Nottinghamshire Pension Fund has equal voting rights alongside the other participating funds and unanimous decisions are required on key strategic matters. These are specified in the Shareholders Agreement and Articles of Association, and include the appointment and dismissal of the company's senior executives, approval of the company's strategic plan and any significant financial transactions, such as major acquisitions, lending or borrowing.

£1,315k has been invested in share capital and £685k in a loan to LGPS Central Ltd. This is held at historic cost (as a suitable approximation of fair value) and are the balances at year end, unchanged from 2023/24. The Fund earned £65k in interest during the year (£65k in 2023/24). Interest is paid in April but recognised in the appropriate year.

LGPS Central Ltd charged £1,690k in respect of Governance, Operator and Product Development costs during the year (£1,597k in 2023/24).

Nottinghamshire County Council as the Administering Authority of the Nottinghamshire Pension Fund has guaranteed a share of the pension liability relating to employees of LGPS Central Ltd that transferred into the company on creation. If this guarantee is called this will be funded by the Pension Fund.

Over time, LGPS Central Ltd will manage an increasing proportion of the Pension Fund's investments. At 31 March 2025 investments worth £1,987m (31 March 2024 £1,384m) were managed by LGPS Central Ltd.

11. Post Balance Sheet Events

No significant post balance sheet events have been identified.



NOTTINGHAMSHIRE
PENSION FUND

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Section 5

Investment and funding

Investments and funding

Investment Strategy and management arrangements

The Pension Fund's investments are invested according to the Fund's Investment Strategy Statement, which is reviewed and agreed by the Nottinghamshire Pension Fund Committee following advice from the Fund's independent adviser. At least once a year the committee holds a working party to review the Fund's strategic asset allocation and make recommendations to the committee.

The Fund is required to invest in a broad range of asset classes to mitigate investment risk. The Fund aims to be sufficient to meet all its obligations on a continuing basis.

The target returns set for external investment managers are net of fees. Fees may be charged directly to the Fund or embedded within investment funds. Investment management costs are set out in note 5 of the Fund's accounts.

The Funding Strategy Statement has been implemented by collecting employer contributions paid in line with the rates certified in the 2022 triennial actuarial valuation. All admission bodies were managed in accordance with the Funding Strategy Statement and Administration Strategy.

Both the Investment Strategy Statement and Funding Strategy Statement are fully compliant with the applicable statutory guidance.

Investment administration and custodianship

The Fund's investments are managed by specialist external investment managers, including LGPS Central Ltd, the Fund's pooling company. Cash is managed by the Pension and Treasury Management Team

The management arrangements are set out in note 7c) of the accounts. Risks are set out in note 8c) of the accounts.

The Pension Fund's investments are administered by Nottinghamshire County Council in its role as the Administering Authority.

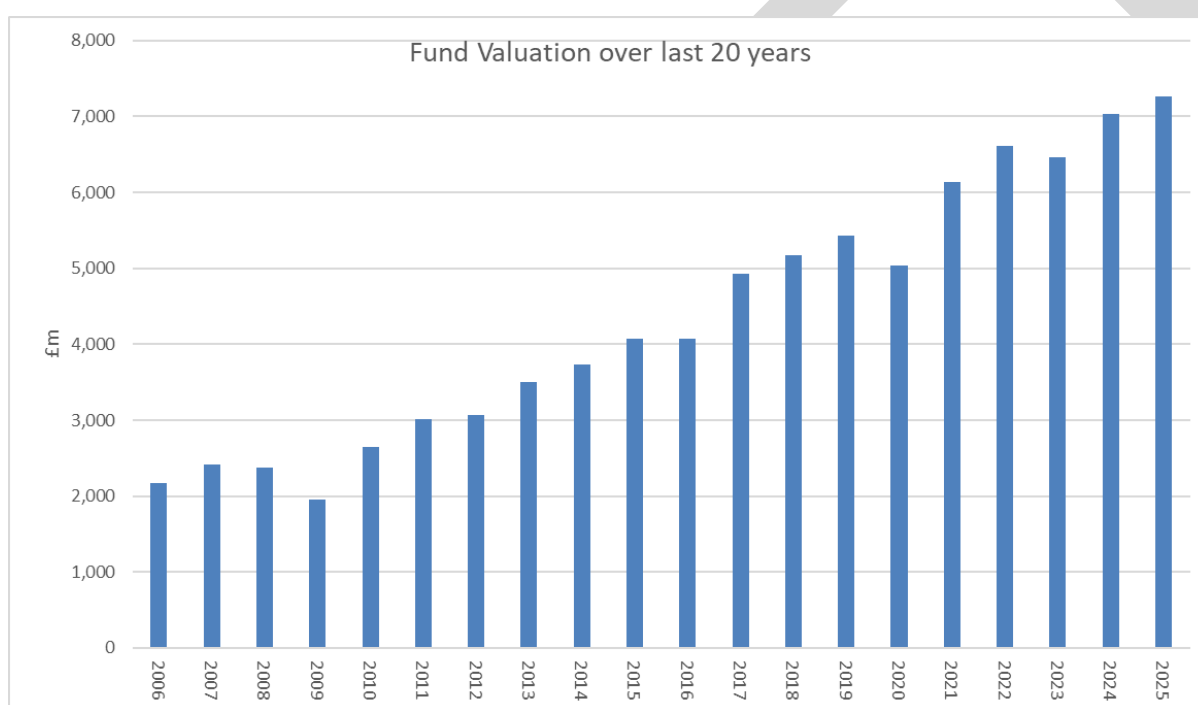
The Pension Fund contracts with a Global Custodian (State Street) which provides a variety of services to support the administration of investments:

- Custody and settlement facilities for certain of the Pension Fund investments
- Foreign exchange settlement to enable the Pension Fund to buy and sell assets and receive income in foreign currencies
- Tax reclamation services
- Filing of US-based class action lawsuits

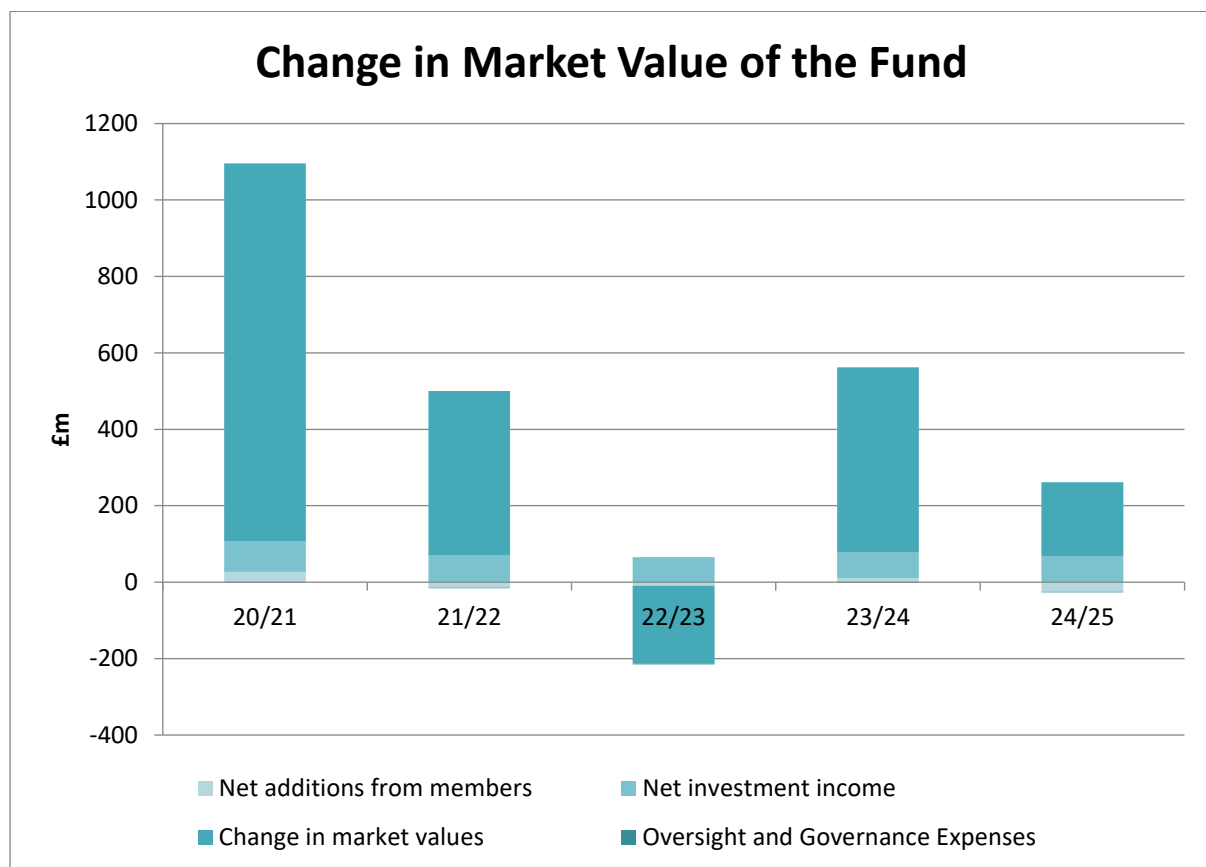
Investment performance

The in-house team of five, led by the Head of Pension Fund Investments, records and accounts for all the Pension Fund investments, producing quarterly valuations for the Nottinghamshire Pension Fund Committee as well as this annual report and the Pension Fund accounts (shown in detail in Section 4 of this Annual Report). The team also monitors all externally managed investments.

Gross investment income for the year was £94m, slightly higher than the previous year's figure of £93m. This is further augmented by a £194m gain relating to the increase in the market value of the Fund's investments. Overall, the value of the fund has increased by £235m over the year to stand at £7,262m, as shown in the following below:



The chart below shows in greater detail how the three main components have contributed to the Fund's performance over the last 5 years.



In 2024/25, the fund's overall return from its investments was 3.9%, below its strategic benchmark of 4.9%. The underperformance was due to submarket returns from most of our equity managers during the year, exacerbated by unfavourable volatility in the market at the end of March. All managers experienced a bounce back in performance in the first quarter of 25/26.

Longer term the five-year average return was 8.1%, compared to the strategic benchmark of 9.3%. There are two main reasons for this underperformance relative to the strategic benchmark. In listed equities the main driver of underperformance has been the weighting to US equities in the high-level strategic benchmark. The Fund's actual listed equities are more diversified than this benchmark. US equities have performed exceptionally well over this period, and so this has resulted in a gap between performance and the strategic benchmark. The strategic benchmark also factors in CPI which has been exceptionally high over the last five years and the Fund's inflation correlated assets have been unable to match it.

Performance over the last five years can be seen in the chart below:

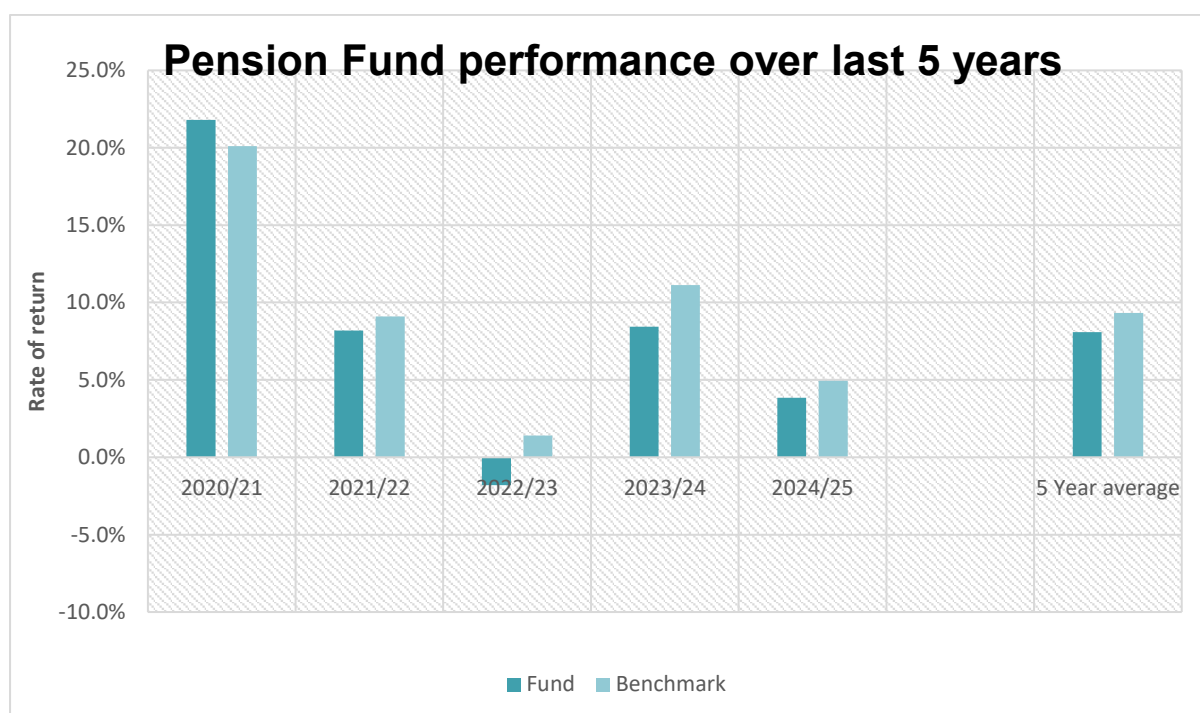


Table 23: Performance against benchmark by for the 12 months to 31 March 2025

Asset class	Performance	Benchmark return	Benchmark	Comments
Equities	4.6%	7.2%	35% FTSE All Share Index + 65% FTSE All World Ex UK Index	Indicative benchmark recognising allocation to the UK. The regional mix does not entirely match the benchmark and so there will be differences.
Fixed income	4.6%	-1.2%	FTSE Actuaries UK Government All Stocks Gilt Index	Includes corporate bonds, gilts and credit
Inflation	2.2%	2.4%	CPI (Consumer Prices Index)	Includes property, infrastructure, index linked gilts and inflation targeted funds.
Liquidity	6.4%	4.8%	SONIA Overnight Index	Cash and short term deposits and a short maturity bond portfolio.
Fund	3.9%	4.9%	Weighted benchmark	

It should be noted that the Pension Fund invests for the long term and performance in any individual year is less important than long term returns.

The key comparison is to the long-term returns assumed by the Actuary in the triennial valuation. The five-year return exceeds this long-term return assumption.

Table 24: Breakdown of investment performance across the different asset classes over 1-year, 3-year, and 5-year periods

To 31 March 2025	1 year %	3 year %	5 year %
Listed equities	4.4	6.0	12.2
Benchmark	5.7	7.2	13.3
Private Equity	8.6	10.0	13.8
Benchmark*	5.8	5.8	5.8
Bonds/Gilts	4.6	0.9	-1.5
Benchmark	-1.2	-6.1	-5.8
Index Linked	-0.8	-4.0	2.5
Benchmark	2.4	6.9	6.2
Infrastructure	2.2	0.8	3.5
Benchmark*	5.8	5.8	5.8
Property	4.0	-2.3	0.8
Benchmark**	6.3	-6.8	-3.7
Total Fund	3.9	3.4	7.8
Benchmark	5.0	5.9	9.4

Investment returns data is provided by Ortec.

*Long term target rather than a market-based benchmark

**Market comparator

Environmental, social and governance issues

The Fund is committed to supporting best practice in corporate governance. The Pool is a Tier 1 signatory to the Stewardship Code.

The Pension Fund is a member of the Local Authority Pension Fund Forum (LAPFF), which is a collaborative shareholder engagement group. It promotes the highest standards of corporate governance and corporate responsibility to protect the long-term value of local authority pension funds. LGPS Central, the Fund's pool, is also a member of LAPFF.

Annual voting record

The *UK Stewardship Code*, issued by the Financial Reporting Council, in September 2012 and revised in 2020, highlights the responsibilities of institutional investors such as Nottinghamshire Pension Fund. It defines stewardship as 'the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society'. Stewardship includes, among other things, having a clear policy on voting and the disclosure of voting activity.

Alongside this, the CIPFA *Principles for investment decision-making and disclosure* require administering authorities to include a statement of their policy on responsible investment in the [Investment Strategy Statement](#).

The Fund also has a [Climate Strategy](#) and a [Climate Stewardship Plan](#) is in place. Nottinghamshire Pension Fund's most recent [Taskforce on Climate-related Financial Disclosures \(TCFD\) report](#) can also be viewed on the Fund's website.

Funds must also report periodically on the discharge of such responsibilities.

The Fund publishes information about its [engagement activity](#) on its website.

The Fund's statement on responsible investment says that 'the Fund continues to exercise its ownership rights by adopting a policy of actively voting stock it holds'.

The Fund retains responsibility for voting any directly held shares (rather than delegating this to investment managers) and votes the majority of its equity holdings in the UK, Europe, the US, and Japan. Since 2020 voting has been undertaken by Hermes EOS in line with the voting principles of LGPS Central. An overview of voting activity during the year is shown on the following pages.

In summary, during 2024/25 Hermes EOS voted Nottinghamshire Pension Fund shares at 2,762 meetings (a total of 35,748 resolutions). Hermes opposed one or more resolutions at 1,837 meetings and voted with management by exception at 107 meetings and abstained at 5 meetings. Hermes supported management on all resolutions at 813 meetings.

Additional information on the issues raised at company AGMs, the Fund's voting activity, and its engagement on ESG issues can be found on the ['Responsible Investment'](#) page of the Fund's website. Links to LGPS Central's quarterly *Stewardship Updates* can also be found on that page.

Q2 2024

Nottinghamshire Pension Fund

EOS at Federated Hermes

Over the last quarter we made voting recommendations at 1,743 meetings (25,209 resolutions). At 1,272 meetings we recommended opposing one or more resolutions. We recommended voting with management by exception at 90 meetings and abstaining at two meetings. We supported management on all resolutions at the remaining 379 meetings.

Global

We made voting recommendations at 1,743 meetings (25,209 resolutions) over the last quarter.



- Total meetings in favour 21.7%
- Meetings against (or against AND abstain) 73.0%
- Meetings abstained 0.1%
- Meetings with management by exception 5.2%

Australia & New Zealand

We made voting recommendations at 16 meetings (119 resolutions) over the last quarter.



- Total meetings in favour 25.0%
- Meetings against (or against AND abstain) 75.0%

Developed Asia

We made voting recommendations at 479 meetings (5,640 resolutions) over the last quarter.



- Total meetings in favour 26.5%
- Meetings against (or against AND abstain) 71.2%
- Meetings with management by exception 2.3%

Emerging & Developing Markets

We made voting recommendations at 167 meetings (2,278 resolutions) over the last quarter.



- Total meetings in favour 21.0%
- Meetings against (or against AND abstain) 75.4%
- Meetings with management by exception 3.6%

Europe

We made voting recommendations at 375 meetings (7,072 resolutions) over the last quarter.



- Total meetings in favour 18.1%
- Meetings against (or against AND abstain) 78.9%
- Meetings with management by exception 2.9%

North America

We made voting recommendations at 501 meetings (6,537 resolutions) over the last quarter.



- Total meetings in favour 12.6%
- Meetings against (or against AND abstain) 76.0%
- Meetings with management by exception 11.4%

United Kingdom

We made voting recommendations at 205 meetings (3,563 resolutions) over the last quarter.

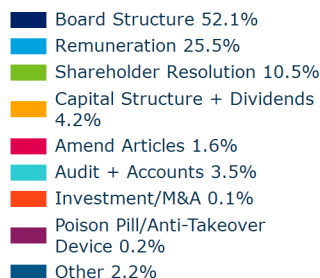


- Total meetings in favour 40.0%
- Meetings against (or against AND abstain) 56.6%
- Meetings abstained 1.0%
- Meetings with management by exception 2.4%

The issues on which we recommended voting against management or abstaining on resolutions are shown below.

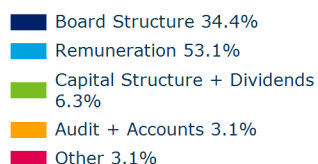
Global

We recommended voting against or abstaining on 3,713 resolutions over the last quarter.



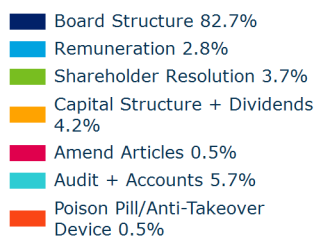
Australia & New Zealand

We recommended voting against or abstaining on 32 resolutions over the last quarter.



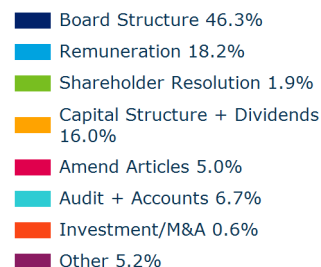
Developed Asia

We recommended voting against or abstaining on 849 resolutions over the last quarter.



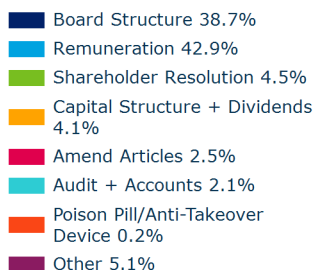
Emerging & Developing Markets

We recommended voting against or abstaining on 462 resolutions over the last quarter.



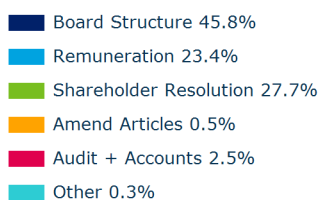
Europe

We recommended voting against or abstaining on 1,047 resolutions over the last quarter.



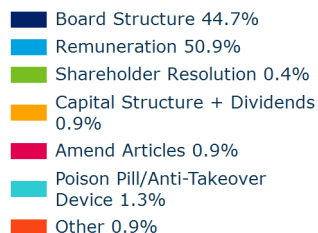
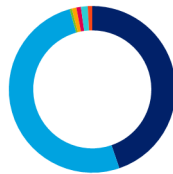
North America

We recommended voting against or abstaining on 1,095 resolutions over the last quarter.



United Kingdom

We recommended voting against or abstaining on 228 resolutions over the last quarter.



Q3 2024

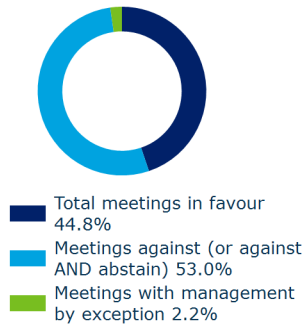
Nottinghamshire Pension Fund

EOS at Federated Hermes

Over the last quarter we made voting recommendations at 270 meetings (3,252 resolutions). At 143 meetings we recommended opposing one or more resolutions. We recommended voting with management by exception at six meetings and abstaining at zero meetings. We supported management on all resolutions at the remaining 121 meetings.

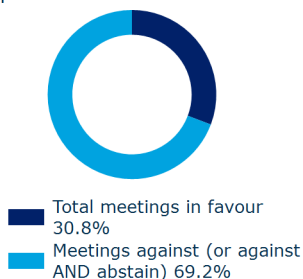
Global

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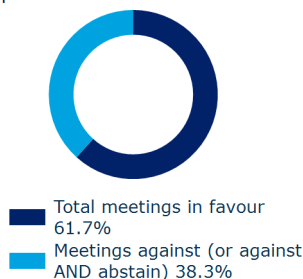
Australia & New Zealand

We made voting recommendations at 13 meetings (47 resolutions) over the last quarter.



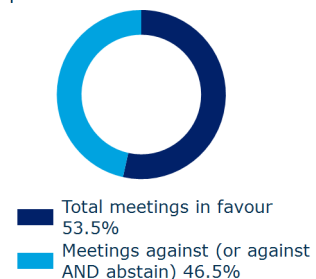
Developed Asia

We made voting recommendations at 47 meetings (342 resolutions) over the last quarter.



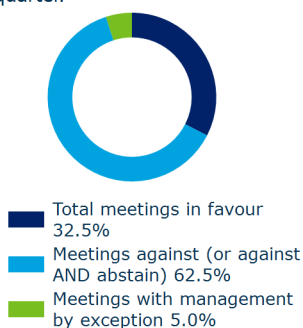
Emerging & Developing Markets

We made voting recommendations at 43 meetings (421 resolutions) over the last quarter.



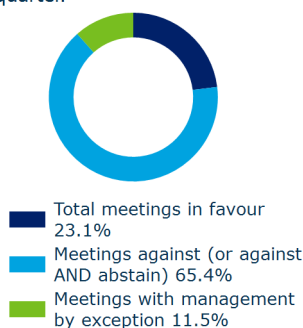
Europe

We made voting recommendations at 40 meetings (502 resolutions) over the last quarter.



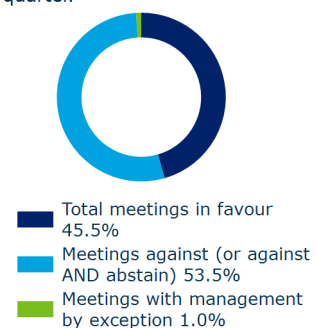
North America

We made voting recommendations at 26 meetings (323 resolutions) over the last quarter.



United Kingdom

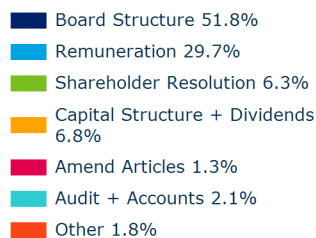
We made voting recommendations at 101 meetings (1,617 resolutions) over the last quarter.



The issues on which we recommended voting against management or abstaining on resolutions are shown below.

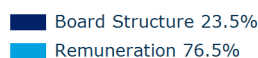
Global

We recommended voting against or abstaining on 380 resolutions over the last quarter.



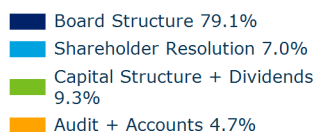
Australia & New Zealand

We recommended voting against or abstaining on 17 resolutions over the last quarter.



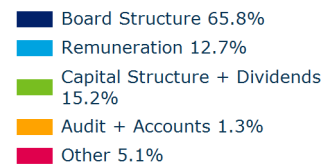
Developed Asia

We recommended voting against or abstaining on 43 resolutions over the last quarter.



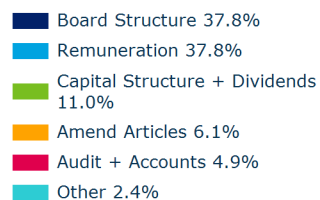
Emerging & Developing Markets

We recommended voting against or abstaining on 79 resolutions over the last quarter.



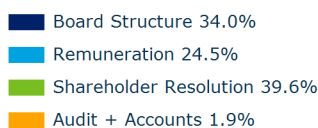
Europe

We recommended voting against or abstaining on 82 resolutions over the last quarter.



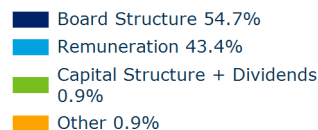
North America

We recommended voting against or abstaining on 53 resolutions over the last quarter.



United Kingdom

We recommended voting against or abstaining on 106 resolutions over the last quarter.



Q4 2024

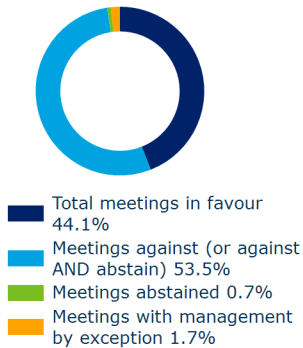
Nottinghamshire Pension Fund

EOS at Federated Hermes

Over the last quarter we made voting recommendations at 286 meetings (2,210 resolutions). At 153 meetings we recommended opposing one or more resolutions. We recommended voting with management by exception at five meetings and abstaining at two meetings. We supported management on all resolutions at the remaining 126 meetings.

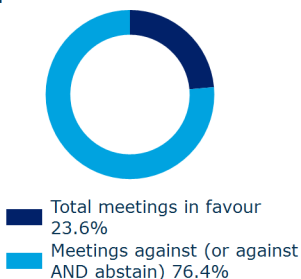
Global

We made voting recommendations at 286 meetings (2,210 resolutions) over the last quarter.



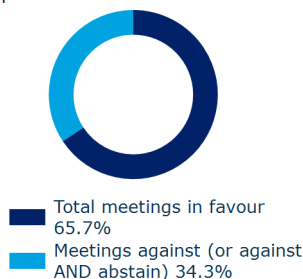
Australia & New Zealand

We made voting recommendations at 89 meetings (549 resolutions) over the last quarter.



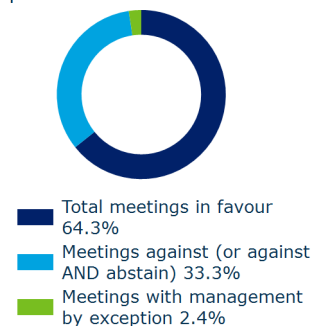
Developed Asia

We made voting recommendations at 35 meetings (239 resolutions) over the last quarter.



Emerging & Developing Markets

We made voting recommendations at 42 meetings (187 resolutions) over the last quarter.



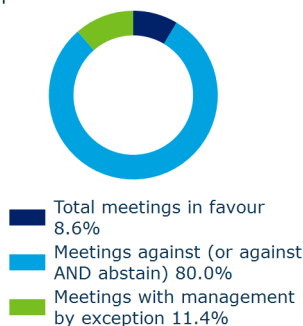
Europe

We made voting recommendations at 25 meetings (160 resolutions) over the last quarter.



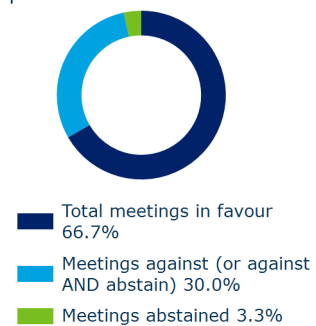
North America

We made voting recommendations at 35 meetings (413 resolutions) over the last quarter.



United Kingdom

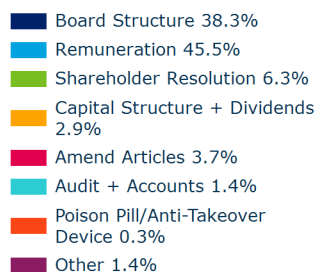
We made voting recommendations at 60 meetings (662 resolutions) over the last quarter.



The issues on which we recommended voting against management or abstaining on resolutions are shown below.

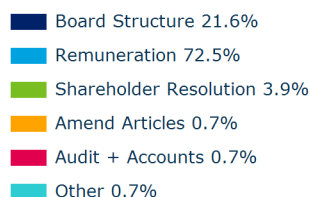
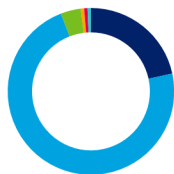
Global

We recommended voting against or abstaining on 347 resolutions over the last quarter.



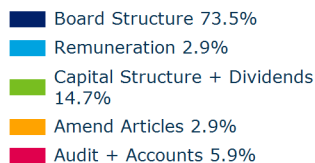
Australia & New Zealand

We recommended voting against or abstaining on 153 resolutions over the last quarter.



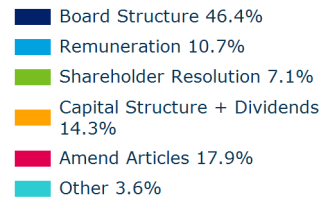
Developed Asia

We recommended voting against or abstaining on 34 resolutions over the last quarter.



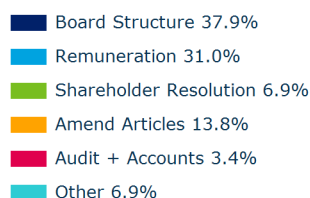
Emerging & Developing Markets

We recommended voting against or abstaining on 28 resolutions over the last quarter.



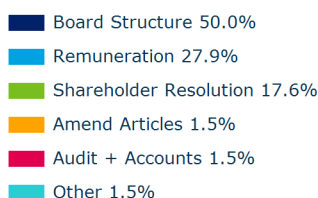
Europe

We recommended voting against or abstaining on 29 resolutions over the last quarter.



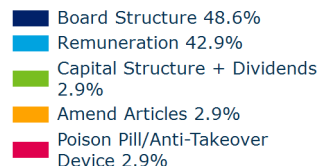
North America

We recommended voting against or abstaining on 68 resolutions over the last quarter.



United Kingdom

We recommended voting against or abstaining on 35 resolutions over the last quarter.



Q1 2025

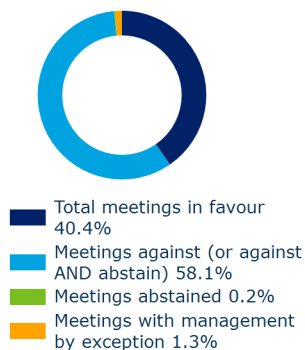
Nottinghamshire Pension Fund

EOS at Federated Hermes

Over the last quarter we made voting recommendations at 463 meetings (5,087 resolutions). At 269 meetings we recommended opposing one or more resolutions. We recommended voting with management by exception at six meetings and abstaining at one meeting. We supported management on all resolutions at the remaining 187 meetings.

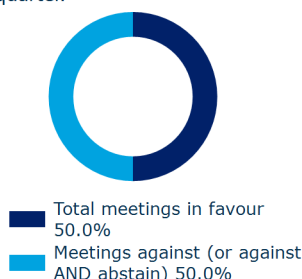
Global

We made voting recommendations at 463 meetings (5,087 resolutions) over the last quarter.



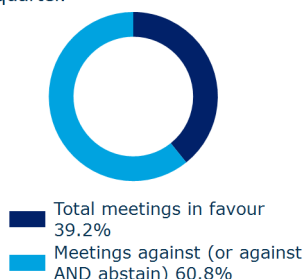
Australia & New Zealand

We made voting recommendations at two meetings (9 resolutions) over the last quarter.



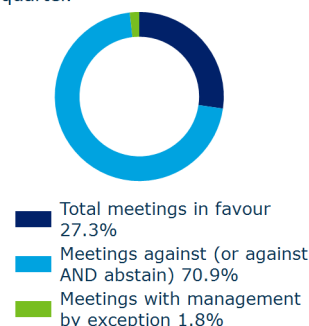
Developed Asia

We made voting recommendations at 232 meetings (2,110 resolutions) over the last quarter.



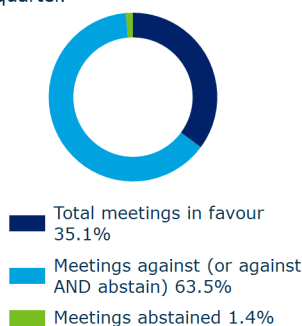
Emerging & Developing Markets

We made voting recommendations at 55 meetings (514 resolutions) over the last quarter.



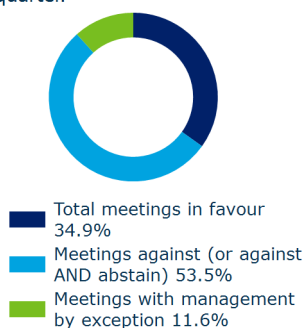
Europe

We made voting recommendations at 74 meetings (1,300 resolutions) over the last quarter.



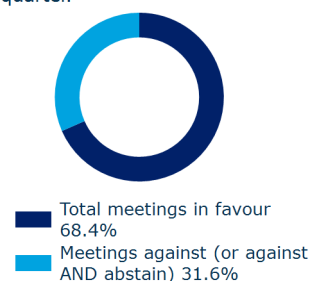
North America

We made voting recommendations at 43 meetings (492 resolutions) over the last quarter.



United Kingdom

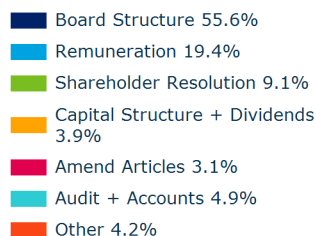
We made voting recommendations at 57 meetings (662 resolutions) over the last quarter.



The issues on which we recommended voting against management or abstaining on resolutions are shown below.

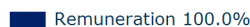
Global

We recommended voting against or abstaining on 718 resolutions over the last quarter.



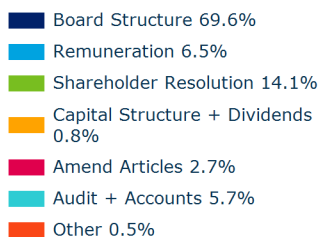
Australia & New Zealand

We recommended voting against or abstaining on two resolutions over the last quarter.



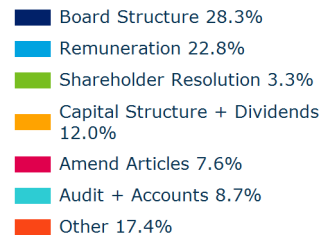
Developed Asia

We recommended voting against or abstaining on 369 resolutions over the last quarter.



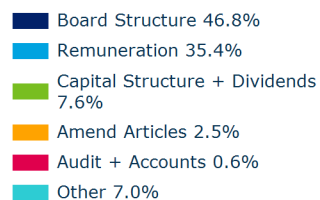
Emerging & Developing Markets

We recommended voting against or abstaining on 92 resolutions over the last quarter.



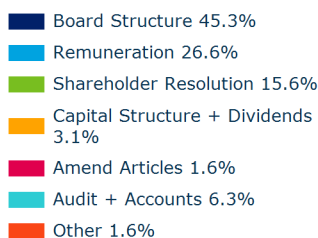
Europe

We recommended voting against or abstaining on 158 resolutions over the last quarter.



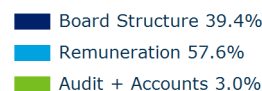
North America

We recommended voting against or abstaining on 64 resolutions over the last quarter.



United Kingdom

We recommended voting against or abstaining on 33 resolutions over the last quarter.



Policies on responsible investment

The Pension Fund believes that responsible investment is supportive of risk-adjusted returns over the long-term. As a long-term investor, the Fund seeks to invest in assets with sustainable business models across all asset classes.

Investee companies and asset managers with robust governance structures should be better positioned to handle the effects of shocks and stresses of future events. Responsible investment is integrated into the investment processes of the Fund, the Pool, and underlying investment managers. Social, environmental and corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments. Non-financial factors may only be considered to the extent that they are not significantly detrimental to the investment return and the committee is satisfied that members share their concerns. The Fund believes that a strategy of engagement rather than exclusion is more compatible with fiduciary duty and is more supportive of responsible investment.

It is recognised that Environmental, Social and Governance (ESG) factors are important to long term investment performance and the ability to achieve long-term sustainable returns. The Nottinghamshire Pension Fund Committee considers the Fund's approach to ESG in three key areas:

- Selection – considering the financial impact of ESG factors on its investments
- Stewardship – acting as responsible and active owners, through considered voting of shares and engaging with investee company management as part of the investment process
- Transparency and disclosure – commitment to reporting the outcome of the Fund's stewardship activities

In combination, these three matters are often referred to as responsible investment, or RI, and this is the preferred terminology of the Fund. Effective management of financially material ESG risks should support the requirement to protect investment returns over the long term.

The Fund's pool company, LGPS Central Ltd, has a fully developed set of RI policies, which are in line with the committee's own beliefs. This includes a Responsible Investment and Engagement Framework, a Statement of Compliance with the UK Stewardship Code, and Voting Principles. The Fund, through the Pool's Practitioners Advisory Forum, contributes to the development of these policies. As the Fund transfers assets to it, LGPS Central Ltd will take responsibility for ensuring that underlying managers meet with the requirements of this policy. LGPS Central Ltd will also engage directly with investee companies to promote sustainable business practices that reward long-term investors. Voting rights associated with assets invested through LGPS Central Ltd sub funds will be instructed according to the Pool's agreed voting Principles. LGPS Central Ltd reports its RI policy and activity on a regular basis in order to demonstrate the implementation of the agreed RI policies.

The [Climate-related disclosures](#) report is available to view on the Fund's website.

The Investment Strategy Statement sets out the Fund's approach to responsible investment. It can be found on the policies section of the Fund's website, together with the [Climate Strategy and Climate Stewardship Plan](#).

LGPS Central also makes information about its approach to responsible investment, including its policies, on its [website](#).

Accounting for Local Government Pension Scheme Management Expenses

All of the Pension Fund's investments are managed by external investment managers, either via the LGPS Central pool or legacy arrangements where managers have been directly appointed by the Pension Fund. Investment costs reduce the Fund's investment return that is available to pay pensions either charged to the Pension Fund directly or deducted at source from the investments. Therefore, a significant effort is made to minimise investment cost. However some asset classes with higher fees may produce higher returns so the focus is on net performance. Fee reductions across all asset classes are pursued through investments with LGPS Central where competitive tendering and utilising the scale of the pool helps to reduce costs.

Note 5 of the accounts sets out an estimate of investment fees incurred during the year.

Strategic asset allocation

The Fund's asset allocation currently favours 'growth assets' (equities and property) over 'defensive assets' (bonds and cash), as the former are expected to outperform the latter over the long-term. High levels of investment income remove the need for the Fund to sell assets to pay retirement benefits; this allows the Fund to implement a long-term investment strategy.

The agreed asset allocation ranges for the Fund are shown in table 25, along with the Fund's long-term strategic target allocations, together with the actual allocation as at year end.

Table 25: Asset allocation by investment outcome

Outcome	Asset class	Allocation ranges	Strategic benchmark	
Growth	Listed and private equity	47% to 67%	65% FTSE World ex UK. 35% FT Allshare	57%
Inflation protection	Property, infrastructure*, index linked gilts and diversified growth fund	23% to 33%	CPI	28%
Income	Fixed income and credit	6% to 16%	FTSE UK All Stock	11%

Outcome	Asset class	Allocation ranges	Strategic benchmark	
Liquidity	Cash, short-term bonds	0% to 10%	SONIA	4%

*The target allocation to infrastructure is 9.3%

The strategic asset allocation was reviewed at a working party on 11 January 2024, which made recommendations that were implemented through a committee decision on 7 March 2024. It was reviewed at a working party meeting on 30 January 2025.

The review considered the Fund's strategic asset allocation in light of the last triennial valuation and the economic outlook. The option of de-risking the strategic asset allocation was considered alongside specific proposals for inflation and credit.

On 13 February 2025 the Nottinghamshire Pension Fund Committee agreed the revised allocation set out in table 26.

Table 26: Asset allocation by investment outcome from 13 February 2025

Outcome	Asset class	Allocation ranges	Strategic benchmark		Value (£000)	Allocation at 31 March 2025
Growth	Listed and private equity	44% to 64%	65% FTSE World ex UK. 35% FT Allshare	54%	4,014,131	55.4%
Inflation protection (income)	Property, infrastructure*, index linked gilts and diversified growth fund	25% to 35%	CPI	29.5%	2,129,978	29.4%
Income only	Fixed income and credit	7.5% to 17.5%	FTSE UK All Stock	12.5%	965,229	13.3%
Liquidity	Cash, short-term bonds	0% to 10%	SONIA	4%	130,979	1.8%

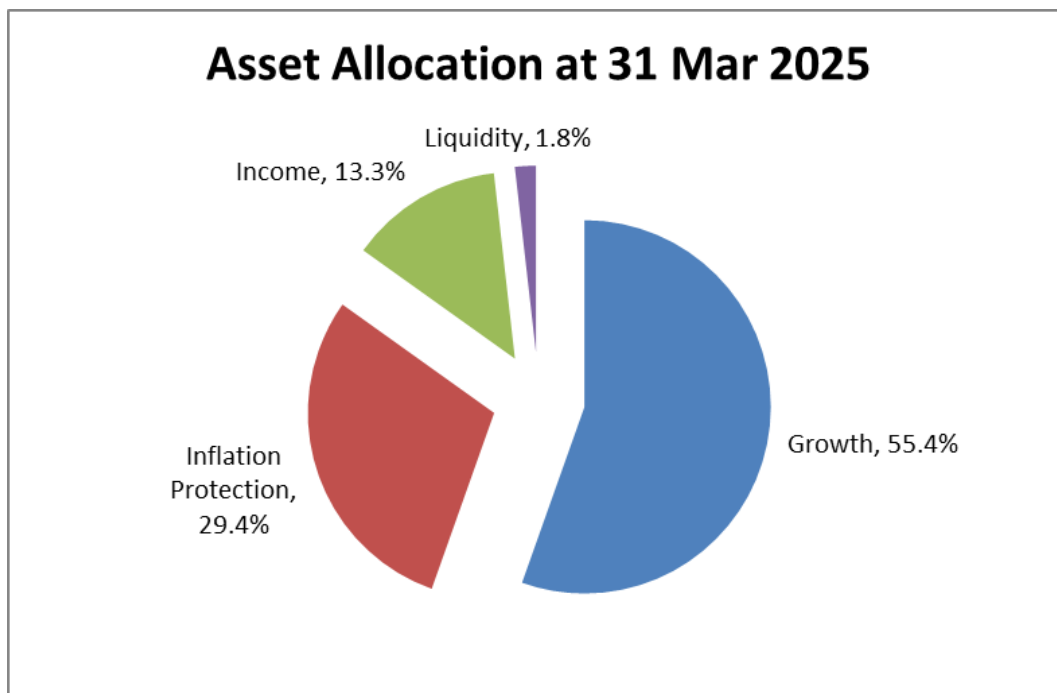
*The target allocation to infrastructure is 9.3%

Index linked gilts have the potential to protect the Fund against inflation and match future cashflows, even though they do not necessarily act as a full matching asset against liabilities. As yield levels had returned to something like normal, the committee considered them the core asset within the inflation category and so increased the allocation by 1.5%.

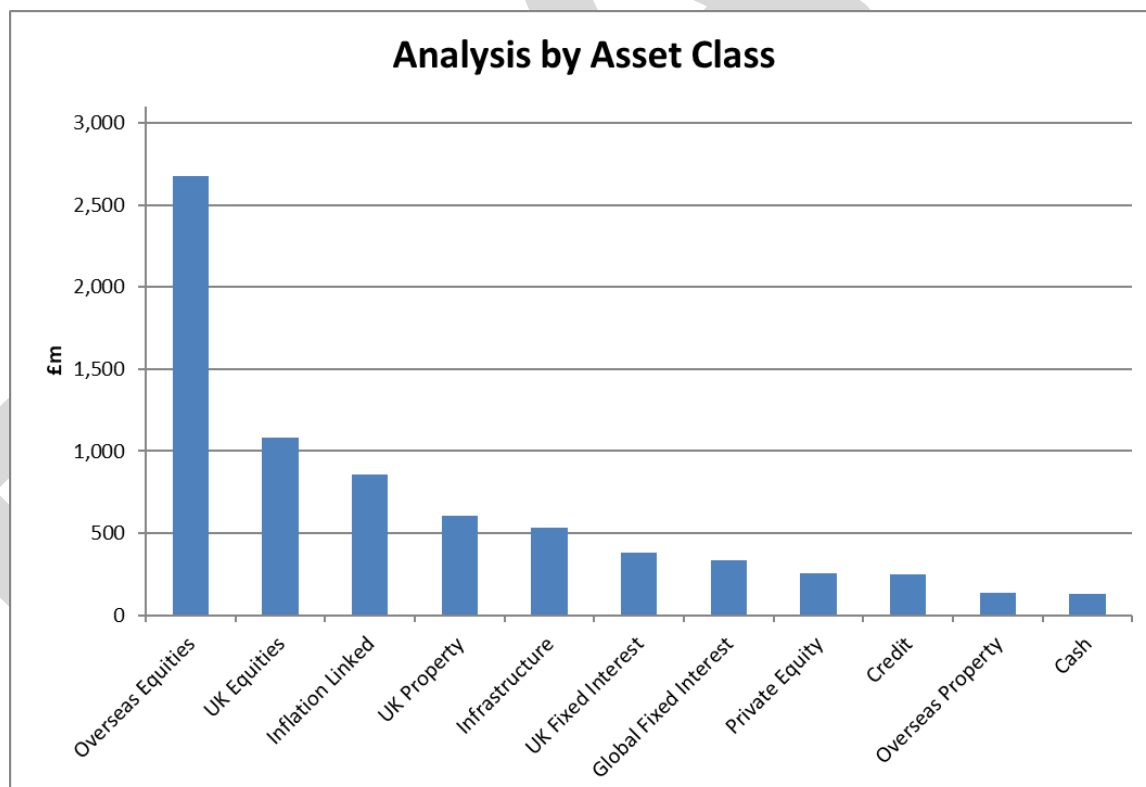
The primary role of assets within the income category is providing regular income. As gilts can be expected (although not guaranteed) to provide secure income and full return of capital, the fund increased its allocation by 1.5% as part of the de-risking journey.

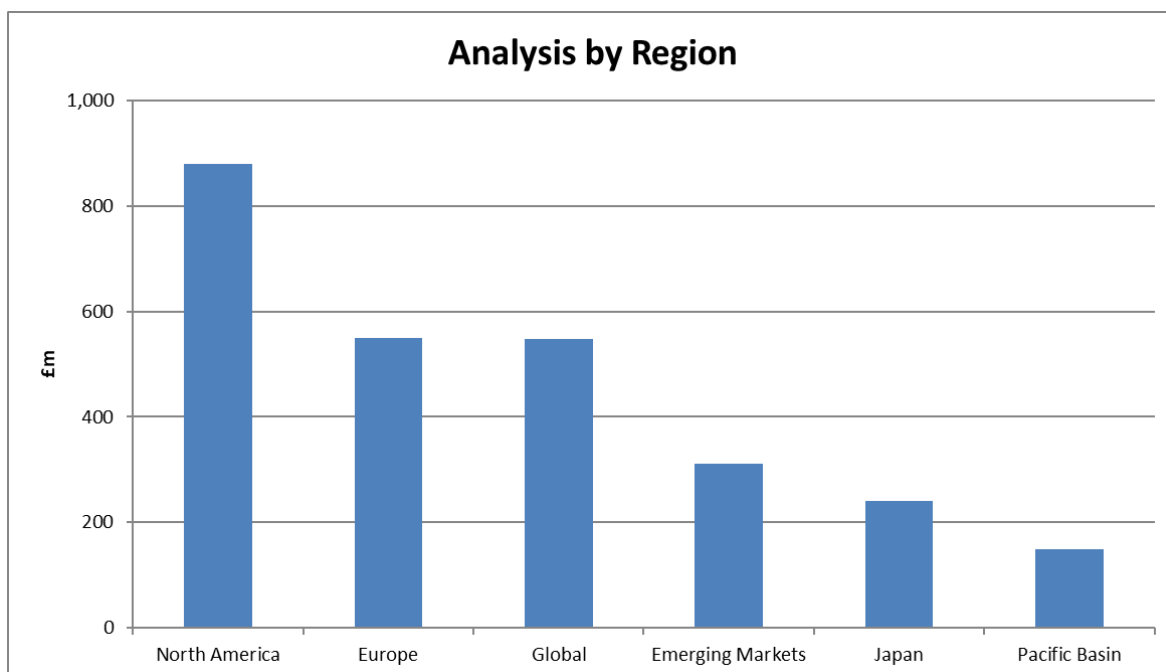
The committee also reduced the allocation to listed equities by 3% as part of its de-risking journey. This was achieved through a 2.9% reduction in developed markets

and a 0.1% reduction in emerging markets.

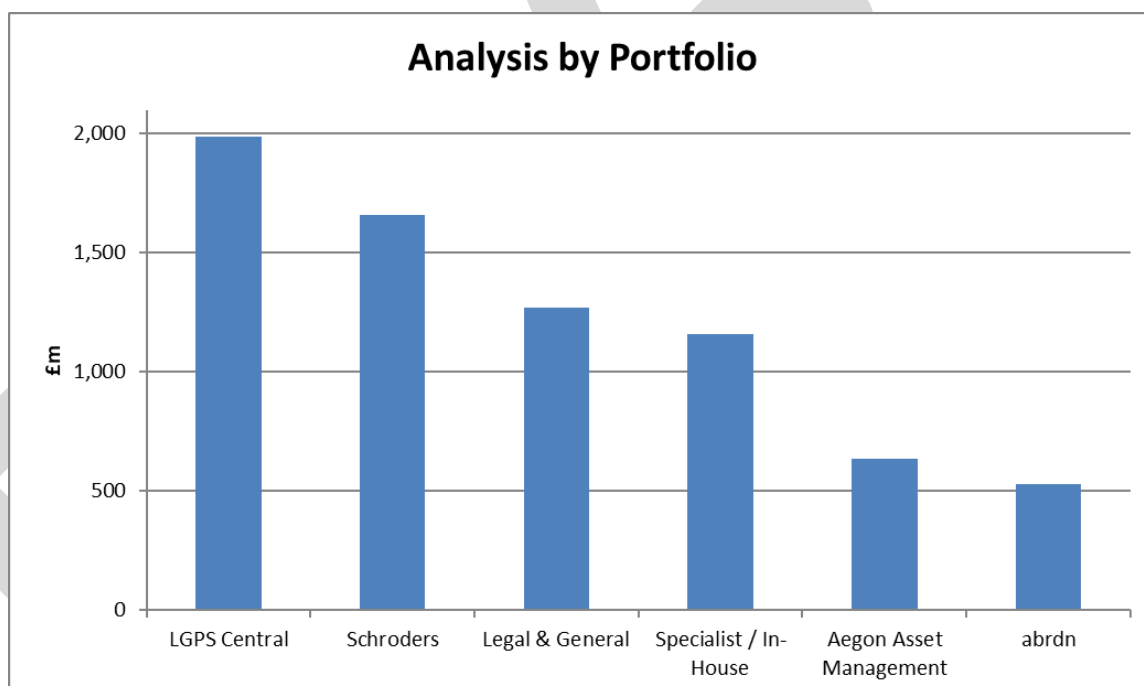


The charts below show the asset allocation of the Fund on 31 March 2025 in further detail, across classes and regions:





The Nottinghamshire Pension Fund Committee also determines the investment management arrangements to implement the agreed strategy. The assets of the Fund are managed within six portfolios and a breakdown of these at 31 March 2025 is shown below:



The list of the Fund's 20 largest holdings is shown below. Combined, these represent 47% of the overall value of the Fund.

Table 27: Largest holdings of Nottinghamshire Pension Fund

	Holding	£m
1	Aegon Kames Diversified Growth Fund (Class B Acc)	502.0
2	Legal & General UK Equity Index	454.3
3	LGPS Central Global Act Corp BD Multi Mgr Fund	337.2
4	Legal & General Europe (Ex UK) Equity Index	249.6
5	Legal & General North America Equity Index	224.7
6	RWC Euro Focus Fund Class 3SR – 2018	161.2
7	LGPS Central Emerging Mkts EQ Act Multi Fund A	140.3
8	LGPS Central Global Sustainable EQ Actv Broad FD	130.2
9	LGPS Central Global Active Mac Multi Mgr Fund (Acc)	124.4
10	Legal & General Asia Pac Ex Jap Dev Eqty Index	122.3
11	LGPS Central Global Sustainable Eq Actv Thematic	119.1
12	Legal & General Japan Equity Index	116.7
13	LGPS Central Global Eq Active Multi Mgr Fd Cls A	116.1
14	LGPS Central Core/Core Plus Infra Partnership LP	115.2
15	LGPS Central Global Sustainable Eq Actv Targeted	102.4
16	Legal & General World Emerging Markets	101.2
17	Aberdeen Standard European Property Growth	78.6
18	Treasury Index Linked 0.125% 22/03/51	72.4
19	Treasury Index Linked 0.125% 10/08/48	72.0
20	Treasury Index Linked 0.5% 22/03/50	70.7
		3,410.4

Pooling

Nottinghamshire County Council, in conjunction with the administering authorities of Cheshire, Derbyshire, Leicestershire, Shropshire, Staffordshire, West Midlands and Worcestershire, has established LGPS Central, a multi-asset investment pool. LGPS Central has a structure that allows participating funds to exercise control (both individually and collectively), not only as investors in the pooled funds, but also as shareholders (or ‘partner funds’) of the operator company, LGPS Central Ltd. It opened for business with the launch of three new mandates on 3 April 2018 and operates out of Wolverhampton, West Midlands.

Set up costs

Table 28: Set up costs for LGPS Central

Cumulative 2014/15 to 2018/19	Total £000
Set up costs	
Recruitment	27
Procurement	2
Professional fees	187
IT	97
Staff costs	142
Other costs	
Premises	49
Staffing-related costs	5
Travel and expenses	1
Training and events	1
FCA fees	1
General admin costs	2
Set up costs before funding	514
Share capital	1,315
Debt	685
Other costs	-
Set up costs after funding	2,514

These remain unchanged since those reported in the 2018/19 Annual Report.

The table below shows governance, operator and product development costs that were charged to partner Funds by LGPS Central in 2024/25.

Table 29: Governance, Operator and Product Development Charged by LGPS Central to partner funds

£000	At 1 April- 24	Charges in Year	Settled in Year	At 31 March-25
Governance Costs	-	283	-	-
Operator Costs	-	921	-	-
IMMC (*)	-	412	-	-
Product Development Costs	-	74	-	-
Total	410	1,690	-1,242	858

(*) Please note that this is expected to relate to IMMC charges in respect of any discretionary and/or advisory services provided by LGPS Central to a Partner Fund. Any IMMCs (both internal and external charges) which are charged directly to a product (e.g. ACS sub-funds and SLP Private Equity) should be disclosed through Information Request (5) and (6) below.

During 2024/25, LGPS Central paid the Fund interest on the loan to the company made to provide regulatory capital.

Table 30: Other transactions between partner funds and LGPS Central

£000	At 1 April-24	Charges in Year	Settled in Year	At 31 March-25
Interest Payable	65	65	(65)	65
Total	65	65	(65)	65

Table 31: LGPS Central investment management expenses charged to partner funds

£000	Direct	Indirect	Total	Bps Charge
1 Ad Valorem	2,736	0	2,736	25.10
2 Performance	0	0	0	0
3 Research	0	0	0	0
4 PRIIPS Compliance	0	0	0	0
5 Other (provide details)	20	0	20	0.18
Management Fees	2,756	-	2,756	25.28
6 Commissions	227		227	2.08
7 Acquisition/issue costs	-		-	-
8 Disposal costs	-		-	-
9 Registration/filing fees	-		-	-
10 Taxes and Stamp Duty	333		333	3.06
11 Other (provide details)	-		-	-
Implicit Costs	1,722		1,722	15.80
Transaction Costs	2,282	0	2,282	20.94
				-
12 Custody/Depository	125		125	1.15
13 Other (provide details)				-
Fund Accounting	71		71	0.65
Transfer Agent	7		7	0.06
Property Expenses	31		31	0.28
External Audit	18		18	0.17
Performance Reporting	23		23	0.21

£000	Direct	Indirect	Total	Bps Charge
Transaction Charges	67		67	0.61
MACS Fees	-37		-37	-0.34
Total Costs	5,343	0	5,343	49.02

Table 32: Investment management expenses by product/service

£'000	1	2	3	4	5	6	7	8	9	10	11	12	13	Total 2024/ 25 Costs	AUM At 31 March 2025 £m	2024/25 Bps Charge
UK Passive	0				0	0				0	0	0	0	0	0	0.00
Global Passive	4				0	1				1	-4	2	1	5	16	3.13
Global Multi-Manager	156				0	18				26	144	7	2	353	116	49.03
Emerging Market Equities	549				0	143				233	166	38	51	1,180	140	85.51
Corporate Bonds	335				0	0				0	1016	29	11	1,391	337	42.15
Emerging Market Debt	83				0	0				0	78	3	4	168	40	43.08
Multi-Asset Credit	252				0	1				0	198	10	8	469	124	38.76
Direct Property	22				20	0				0	0	2	52	96	10	106.67
Sustainable Broad	351				0	7				25	6	12	13	414	130	30.67
Sustainable Target	369				0	26				46	102	11	11	565	102	52.80
Sustainable Thematic	409				0	31				2	16	11	27	496	119	40.33
ACS Sub-Funds	2,530	0	0	0	20	227	0	0	0	333	1,722	125	180	5,137	1,134	
Private Equity 2018 V'tage	10													10	15	6.62
Private Equity 2021 V'tage	46													46	120	3.82
Private Equity 2023 V'tage	31													31	35	8.85
Private Debt	0													0	0	0.00
Infrastructure	44													44	245	1.79
Indirect Property	0													0	0	0.00
Alternative Vehicles	131	0	0	0	0	0	0	0	0	0	0	0	0	131	415	
UK Gilts	40													40	252	1.59
UK Index-Linked Gilts	34													34	353	0.96

£'000	1	2	3	4	5	6	7	8	9	10	11	12	13	Total 2024/ 25 Costs	AUM At 31 March 2025 £m	2024/25 Bps Charge
Discretionary Mandates	74	-	-	-	-	-	-	-	-	-	-	-	-	74	605	
LGIM Passive Funds Oversight and Stewardship	1													1	1270	0.01
Advisory Mandates	1	-	-	-	-	-	-	-	-	-	-	-	-	1	1270	
Execution Only 1														-		
Execution Only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other 1														-		
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	2,736	-	-	-	20	227	-	-	-	333	1,722	125	180	5,343	3,424	49.02

Items 1 - 13 relate to the categories in table 31.

Table 33: Assets under management and performance by product/service

£'000	AUM at 1 April-24 £m	AUM at 31 March 2025 £m	One Year Gross Performance %	One Year Net Performance %	Passive Benchmark Used	One Year Passive Index %
UK Passive	0	0	10.47%	10.42%	FTSE All Share (UK) Total Return Index	10.46%
Global Passive	16	16	2.22%	2.20%	FTSE World Europe ex UK TR 33.33%; FTSE All World North America TR 33.33%; FTSE All World Japan TR 16.67%; FTSE All World Pacific ex Japan TR 16.67%	1.99%
Global Multi-Manager	36	116	4.17%	3.94%	FTSE All World Index	5.46%
Emerging Market Equity	133	140	6.57%	5.47%	FTSE Emerging Markets Index	10.14%
Corporate Bonds	321	337	5.00%	4.90%	ICE BofAML Sterling Non-Gilt Index 50%; ICE BofAML Global Corporate Index 50%	3.82%
Emerging Market Debt	37	40	6.51%	6.29%	JPMorgan EMBI Global Diversified Index, hedged to GBP	6.43%
Multi-Asset Credit	118	124	6.02%	5.81%	3-month GBP SONIA	4.97%
Direct Property	8	10	9.60%	8.80%	MSCI Quarterly index	0.50%
Sustainable Broad	131	130	3.54%	-0.43%	FTSE All World Index	5.46%
Sustainable Target	107	102	2.92%	-4.37%	FTSE All World Index	5.46%
Sustainable Thematic	124	119	0.00%	0.00%	FTSE All World Index	0.00%
ACS Sub-Funds	1,031	1,134				
Private Equity 2018 Vintage	15	15				
Private Equity 2021 V'tage	120	120				
Private Equity 2023 V'tage	35	35				
Private Debt	0	0				
Infrastructure	195	245				
Indirect Property	0	0				
Alternative Vehicles	365	415				

£'000	AUM at 1 April-24 £m	AUM at 31 March 2025 £m	One Year Gross Performance %	One Year Net Performance %	Passive Benchmark Used	One Year Passive Index %
UK Gilts	206	252				
UK Index-Linked Gilts		353				
Discretionary Mandates	206	605				
LGIM Passive Funds Oversight and Stewardship	-	1270				
Advisory Mandates	-	1270				
Execution Only 1						
Execution Only	-	-				
Other 1						
Other	-	-				
Total	1,602	3,424				

Table 34: Savings projections as a result of pooling assets

Product	April 24 – March 25	April 18 – March 25
Gross Savings	2,838	10,011
Total Costs	(1,908)	(11,909)
Net Savings	930	(1,898)

Asset table

Table 35: Asset table

£m Asset values as at 31 March 2025	Pooled £m	Under pool management £m	Not pooled £m	Total £m	Explanation / further information
Equities					
In pooled funds	624			624	
In passive equity funds		1,270		1270	Oversight agreement set up during year.
Schroders active equity mandate			1,631	1631	Mandate currently held outside the pool awaiting a solution which enables NPF to maintain a higher UK allocation.
Specialist allocation			235	235	Strategy not yet provided by pool
				3,760	
Bonds					
In pooled funds	501			501	Corporate bonds and listed credit
Gilts		250		250	Discretionary mandate
Index Linked gilts		352		352	Discretionary mandate
Short bonds			130	130	Liquidity management tool outside scope of pooling – UK investment
				1,233	
Property					
In pooled funds	10			10	
Direct property			422	422	UK Legacy assets – not cost effective to pool these without tax exemptions for transfers
Specialist property funds			130	130	Legacy assets which will wind down over time
Indirect property			14	14	Levelling up and local UK
Indirect property			7	7	Other listed
Indirect property			131	131	Specialist funds UK
Indirect property			30	30	Legacy illiquid assets UK
				744	

£m Asset values as at 31 March 2025	Pooled £m	Under pool management £m	Not pooled £m	Total £m	Explanation / further information
Diversified Growth Funds					
Inflation targeted fund			501	501	Inflation targeted fund which also provides tactical asset allocation that neither the Pool nor NPF are resourced to deliver.
				502	
Private Equity					
In pooled funds	92			92	
Private equity			84	84	Legacy assets which will wind down over time
Private equity			37	37	Strategy not yet provided by pool
Smaller companies			41	41	Levelling up investments
<i>Undrawn commitments</i>	92		90	182	<i>Excluded from total</i>
				254	
Private debt			44	44	Legacy assets
Private debt			41	41	Strategy not yet provided by pool
				85	
Infrastructure					
In pooled funds	157			157	
Infrastructure			113	113	UK Listed
Infrastructure			260	260	Legacy assets which will wind down over time
Local infra			2	2	Local investments
				532	
Cash			131	131	Outside scope of pooling
Total	1,384	1,872	3,984	7,240	

	Pooled, UK, Private Equity or UK investment in line with government objectives
	Legacy assets – anticipation that these will be invested in pooled funds on maturity

In accordance with the Fit for the Future programme, all assets will be under pool management from 1st April 2026 if not before.

Supplementary table

Table 36: Supplementary table

£m UK Asset values as at 31 March 2025	Pooled	Under pool management	Not pooled	Total
UK Listed Equities passive	3	454		454
UK Listed Equities Active	20		627	642
UK Government Bonds	17	602		602
UK Corporate bonds	88		130	223

£m UK Asset values as at 31 March 2025	Pooled	Under pool management	Not pooled	Total
UK Property	10		623	289
Diversified Growth Fund			247	247
UK Private Equity	6		63	66
UK credit	12		17	30
UK Infrastructure	38		198	233

This table excludes some investments where the UK exposure is classified as 'Europe' and where the geographic exposure is not reported.

UK investments amount to at least 40% of the Fund (excluding cash).



NOTTINGHAMSHIRE
PENSION FUND

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Section 6

Pension administration

Administration

The LGPS is a statutory scheme with regulations made under the Superannuation Act 1972 and the Public Service Pensions Act 2013. The LGPS is a defined benefits scheme, which, since 1 April 2014, has been based on 'Career Average Revaluated Earnings' (CARE). Members' benefits are determined strictly in accordance with the scheme regulations and are not affected by the value of Fund assets. Where members joined the scheme before 1 April 2014, protections are in place for their benefits to be based on accrued scheme membership to that date and their full-time equivalent pensionable pay at retirement.

During 2024/25, scheme members were required to pay a contribution rate of between 5.5% and 12.5% of their pensionable pay, depending on their pay banding. Employer contribution rates, also expressed as a percentage of pensionable pay, and tailored specifically to each employer in the scheme, were applied to cover the accrual of new benefits earned by members. The contribution to fund any past service deficit was expressed as a cash sum or supplementary percentage of pensionable pay.

Summary of activity

In Nottinghamshire, the in-house Pensions Office carries out the administration of the LGPS. It also administers the Councillors' LGPS, which is now closed.

The following teams make up the Pensions Office:

- Pensions administration
- Employer support and compliance
- Technical, regulation and communication
- Pension systems (part of the Business Services Centre Competency Centre)

Pension Administration broadly comprises:

- Maintaining databases of
 - Active members (i.e. contributors)
 - Pensioners, including widows, widowers and dependants
 - Those with deferred benefits that will become payable in the future
- Providing Annual Benefit Statements to active and deferred scheme members
- Providing estimates of benefit
- The calculation and payment of retirement benefits
- The calculation and payment of transfer values to other schemes
- Processing transfer values from "club" and local government schemes
- Providing valuations and splitting of pensions in divorce cases
- Communicating with employers and scheme members on scheme changes and pensions issues
- Onboarding new scheme employers
- Supporting employers in carrying out their responsibilities under the LGPS Regulations
- Reconciling employers' monthly and annual contribution rates

- Providing pension savings statements to scheme members as appropriate
- Providing data for triennial valuations and the annual FRS102 for all but large bodies who report in accordance with IAS19
- Replying to questions and issues raised by scheme members and employers
- Employer-related work of the LGPS on behalf of Nottinghamshire County Council

The teams are also involved in a wide range of projects. The team is engaged in considerable work around cyber security and has worked with AON to develop a range of documentation. One strand of this is a project moving the Civica UPM system from the council's data centre into an off-premise, cloud-hosted environment. Work has restarted on the upgrade to the Civica employers' portal following the resolution of a significant issue, which means that the Fund can now progress to the next phase of transitioning existing users to the new version and then develop plans to roll out across other Scheme employers.

Following the benefits realised by the Fund in using the Council's customer service centre (CSC) to take benefits statement queries from members in June and August 2024, the Pension Administration team has worked with the CSC to expand this service to act as the first point of contact for member queries. Any call not answered at the first point of contact is passed back for the administration team to respond. Work is ongoing to further develop the information available to the CSC to increase the number of enquiries dealt with at the first point of contact. The CSC is also verifying and updating personal details from members such as address, email and mobile phone numbers.

The Fund continues delivering several national projects, which require the collection, checking and rectification of records and include:

- Applying the remedy from the McCloud judgement, rectifying age discrimination issues across public sector pension schemes. These became part of the LGPS Regulations in October 2023
- Preparing for connection to the pension dashboards eco-system, required by 31 October 2025

Up to date information about these national projects is available on the Fund's website.

Data quality

Data is important to the Administering Authority for several reasons, the main ones being:

- Ensuring members are paid the pensions to which they are entitled
- Ensuring employers' costs are reliable/correct
- Ensuring investment and administration costs are reliable/correct
- Ensuring Fund valuations reflect true costs/liabilities of the Fund
- Providing cost-effective administration – fewer queries
- Reducing the number of cases going through the Internal Dispute Resolution Procedure

- Avoiding intervention by the Pensions Regulator
- Maintaining the scheme's reputation

The Pensions Regulator continues to raise concerns about data quality across funds and the need for improvement. The Regulator requires that all funds maintain accurate records. The Pensions Regulator has specified funds have a data improvement plan. Failing to have a plan puts the Pension Fund at risk of failing to meet its legal obligations. Where schemes are not meeting the expected standards or taking appropriate steps to improve pension records, the Regulator will take enforcement action.

The fund has continued to work with its partner, Intellica on data audit and improvement. Key activities over the year have seen the development of automated processes to process leavers, refunds and aggregations. These automated processes undertake a series of data validation checks. Where data is identified as missing, in an incorrect format or outside tolerances, the process is pushed out to a separate worktray for review. Where all data is present and correct the automated process runs end-to-end and results in the production of correspondence being sent out to the member. The Employer Support and Compliance Team has led the work obtaining missing/incorrect data from Scheme Employers.

Scheme employers are responsible for ensuring the Administering Authority receives accurate data in a timely manner. This is addressed in a Service Level Agreement in the Administration Strategy. This enables the monitoring of activities of both employers and the Administering Authority.

The Administering Authority is refreshing its Administration Strategy. The planned changes will help the Fund monitor the performance of individual scheme employers and report in more detail.

The Administration Team continually updates records, chases employers and reminds scheme members to update the Fund of any changes to personal circumstances.

The Regulator requires that Funds measure and report on the quality of the common and scheme specific data that they hold. Common data is the basic information every scheme must hold; scheme specific data is the data used for calculating pensions benefits.

Key services provided to all fund members and employers

The Fund's website covers all aspects of the LGPS. It has information for a variety of stakeholders including active and deferred members, pensioners, dependants and councillor members. It also has a dedicated section for scheme employers.

Members can access support through a variety of channels -

- Pension Helpline, which is available between 8am to 5pm on a Monday to Thursday, and 8am to 4.30pm on a Friday.
- Online 'contact us' form
- Post

- Pensions colleagues are available to meet any member who needs to in-person. It is recommended that anyone who wants to access the service in person makes an appointment.

Key performance indicators (KPIs)

The tables on the following pages set out how the Fund has performed against key performance indicators.

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Table 37: Total number of casework

Ref	Casework KPI	Total number of cases open as at 31 March 24 (starting position)	Total number of new cases created in the year (1 April 24 to 30 March 25)	Total number of cases completed in year	Total % of cases completed in year	Total number of cases completed in previous year	Total % of cases completed in previous year
A1	Deaths recorded of active, deferred, pensioner and dependant members	1286	1578	1346	47.00%	1124	42.84%
A2	New dependant member benefits <i>Please note that new dependent beneficiaries are setup as part of the deaths process. The Fund does not hold this as a separate KPI.</i>	Not known	Not known	Not known	Not known	Not known	Not known
A3	Deferred member retirements	290	2099	2084	87.23%	1789	82.97%
A4	Active member retirements	869	1448	1340			
A5	Deferred benefits	12959	2676	10296	34.15%	3818	22.75%
A6	Transfers in (including interfunds in, club transfers)	738	518	447	35.59%	228	21.17%
A7	Transfers out (including interfunds out, club transfers)	330	283	393	64.11%	248	32.38%
A8	Refunds	1572	1927	2710	77.45%	2806	60.2%
A9	Divorce quotations issued	42	372	364	87.92%	292	82.95%
A10	Actual divorce cases	17	13	12	40.00%	11	35.48%
A11	Member estimates requested either by scheme member or scheme employer	132	2541	2429	90.87%	2218	91.01%
A12	New joiner notifications	19	6419	5884	91.39%	6268	99.7%
A13	Aggregation cases See note below	N/A	18262	8508	46.58%	626	3.48%

Ref	Casework KPI	Total number of cases open as at 31 March 24 (starting position)	Total number of new cases created in the year (1 April 24 to 30 March 25)	Total number of cases completed in year	Total % of cases completed in year	Total number of cases completed in previous year	Total % of cases completed in previous year
A14	Optants out received after 3 months membership <i>Please note that optant out cases are processed as part of the deferment/refund process and not managed as a separate process</i>	Not known	Not known	Not known	Not known	Not known	Not known

Aggregation cases – as part of the Pension Administration’s team automation activity, particular focus has been assigned to the aggregation process. This activity identified that the Fund was holding over 2000 duplicates which have been removed. Activities have been undertaken to sort all outstanding aggregation processes into the relevant type i.e. type A, B, C etc... Working with Civica, automated processes have been developed to undertake end to end processing of aggregation where all the required data is present. As a result, the Administration team has completed a significant number of aggregation processes when compared to the manual process which was in place the previous year.

The member death process is the most difficult statistic to gather and measure. This is because of the time it takes between the Fund receiving initial notification and the necessary documentation. Where the Fund receives the relevant information, it pays a death in service grant to the next of kin within 5 days.

The Fund continues to see a more complicated picture in members’ lives and the intricacies of families. This complexity means the Fund must review each individual death grant payable. Whilst members can, and are encouraged to, complete a Death Grant nomination form, this form is an expression of the member’s wishes and the Administering Authority maintains absolute discretion as to whom the death grant is actually paid. The Fund is required to ensure that it has properly considered all potential beneficiaries with a claim and must take all reasonable steps to contact these individuals. The Fund may also determine that grant of probate is required before releasing death grant benefits.

The number of deaths has reduced significantly since the “main” COVID years. Anecdotally, the Pensions Administration Team which processes deaths has reported that it continues to see a significant increase in the number of members who are passing away in service in the age category 40 - 55 years of age. These individuals are reporting a late cancer diagnosis where treatment is no longer available.

Table 38: Time taken to process casework

Ref	Casework KPI	Fund target	% completed within fund target 2024-2025	% completed in previous year 2023-2024
B1	Communication issued with acknowledgement of death of active, deferred, pensioner or dependant member	10 days	31.07	28.44
B2	Communication issued confirming the amount of dependants' pension	10 days	70.49	71.05
B3	Communication issued to deferred member with pension and lump sum options (quotation)	2 months	90.14	90.67
B4	Communication issued to active member with pension and lump sum options (quotation)	2 months	95	96.82
B5	Communication issued to deferred member with confirmation of pension and lump sum options (actual)	1 month	83.16	84.44
B6	Communication issued to active member with confirmation of pension and lump sum options (actual)	1 month	83.16	84.44
B7	Payment of lump sum (both actives and deferred) – <i>Please note - The Fund does not report separate on the payment of lump sum, generally paid within 5 working days of the processing of the retirement into payment.</i>	Not known	Not known	Not known
B8	Communication issued with deferred benefit options <i>Please note – The figures quoted are based on the old deferred process. A revised automated process was implemented in May 2024 which enabled a further 1664 deferred options to be completed which are not accounted for within the KPI. The full impact of the new process will be reported in 2025-26</i>	2 months	30.71	20.79
B9	Communication issued to scheme member with completion of transfer in – the Fund does not report separate on the transfer in or out of the Scheme	1 month	40.00	22.93
B10	Communication issued to scheme member with completion of transfer out	1 month	40.00	22.93
B11	Payment of refund	2 months	97.71	98.22
B12	Divorce quotation	3 months	98.81	97.95
B13	Communication issued following actual divorce proceedings (i.e. application of a Pension Sharing Order when all relevant and full information is received).	3 months	33.33	36.36

Ref	Casework KPI	Fund target	% completed within fund target 2024-2025	% completed in previous year 2023-2024
B14	<p>Communication issued to new starters</p> <p><i>The Fund does not currently measure the statutory notice being sent out to a new starter when they join the pension scheme. The LGPS operates contractual enrolment and it is the responsibility of the scheme employer to provide the employee with information, for example Nottinghamshire County Council includes information about the LGPS within their employment contract.</i></p>		Currently not measured.	
B15	Member estimates requested by scheme member and employer	1 month (Employer)	86.18	85.29
		2 months (Member)	95	96.95

Table 39: Communications and engagement

Ref		As at 31 March
Engagement with online portals		
C1	% of active members registered	<p>Currently, the Nottinghamshire Pension Fund does not have an online portal through its Civica UPM system. Pensioners are able to access payslips online via an alternative payslip portal. As at 31 March 2025, 13.8% of pensioners were registered. The Fund is planning to deploy the Civica UPM portal for pensioners as part of the implementation of the Civica UPM payroll during 2026-27</p>
C2	% of deferred members registered	
C3	% of pensioner and survivor members	
C4	% total of all scheme members registered for self-service	
C5	Number of registered users by age	
C6	% of all registered users that have logged onto the service in the last 12 months	

Ref		As at 31 March
Communication		
C7	Total number of telephone calls received in year Comment <i>Figure reflects calls received by Pensions central number 0115 9772727. Please note the total call figure excludes calls by members and Scheme Employers to the direct dial numbers of the Pension Admin team</i>	19,768
C8	Total number of email and online channel queries received Comment <ul style="list-style-type: none"> • Total number of emails received to the Pension Administration Team generic email addresses is 12,207. • Pension Administration Contact us form – 1536 • Please note the total figure excludes email correspondence sent directly to individual pension officers. 	13,743
C9	Number of scheme member events held in year (total of in person and online)	0
C10	Number of employer engagement events held in year (in person and online)	<ul style="list-style-type: none"> • 4 – events • 22 – topic specific communications. • Daily contact between Employer Support & Compliance Team
C11	Number of active members who received a one-to-one (in person and online) Comment <i>Pension Officers have met with active members through the year but we have no record of this activity for the year. A process has now been setup to enable the Fund to record this interaction.</i>	Information currently not held
C12	Number of times a communication (i.e. newsletter) issued to:	
	a) Active members	1 – ABS including booklet, scam leaflet
	b) Deferred members	1 – ABS including booklet, scam leaflet
	c) Pensioners	4 (Payslip (March, April, May & June & Annual Pensioner leaflet included with May 2025 payslip

Table 40: Resources

Ref	Resources	As at 31 March
D1	Total number of all administration staff	52
D2	Average service length of all administration staff	12 years
D3	Staff vacancy rate as a percentage	
D4	Ratio of all administration staff to total number of scheme members (all staff including management)	1:3192
D5	Ratio of administration staff (excluding management) to total number of scheme members	1:3952

LGPS funds continue to report ongoing issues in recruiting staff. To address this issue the Fund has taken the approach to “grow our own” and successfully recruited four apprentices who joined the team in January 2024. Apprentices are guaranteed employment if they successfully complete the 18-month apprenticeship, which ran all through 2024/25. It covers all aspects of pensions and provides the apprentices with a solid base to enable them to develop their career. In time, the Fund plans to offer the apprenticeship to existing members of the team.

The Pensions Team is also supported by several other teams within the Business Service Centre, which recharge the Fund for their work. These include:

- The Business Hub Team, which completes a range of clerical and administrative tasks on behalf of the Pension Administration Team
- The Authority’s Payroll Service, which processes the monthly pensioners payroll on behalf of the Fund
- The Security and Authorisation Team, which undertakes several activities to support the Employer Hub

Table 41: Data quality

Ref		
Annual Benefit Statements (ABS)		
E1	Percentage of annual benefit statements issued as at 31 August	91% Active 83% Deferred
E2	<p>Short commentary if less than 100%</p> <p>Main bulk of benefit statements were issued by 31 August 2025t.</p> <p>Reasons for non-production are related to</p> <ul style="list-style-type: none">Lost contact/missing addresses for members (deferred – 15% active 2% - please note that the Fund is proposing to engage a partner to deliver mortality screening and address verification and checking service to address lost contacts – pending Pension Committee approval – 25 September 2025)Data outstanding from employers or subject to late responses being received in respect of queries issued to employers.Active processes preventing a statement from being produced (i.e. where a member is in the process of retiring). <p>A further run of benefit statements is planned as follows -</p> <ul style="list-style-type: none">Deferred – end of September 2025 – this will mean that 85% of eligible members will then have received a statement for year ending 31 March 2025. On 25 September 2025, Nottinghamshire Pension Fund Committee approved the engagement of a partner to deliver a pilot mortality screening and address checking and verification service. This should result in an increase in the number of ABS being sent out in future years as the Fund re-establishes contact with “gone away” members.Active – end of November/beginning of December 2025 – this will mean that 92% of eligible members will then have received a statement for year ending 31 March 2025.	
Data category		
E3	Common data score	87%
E4	Scheme specific data score	83.9%

Ref		
E5	Percentage of active, deferred and pensioner members recorded as 'gone away' with no home address held or address is known to be out of date	3.4%
E6	Percentage of active, deferred and pensioner members with an email address held on file Comment <i>From June 2025 – the Fund is actively verifying and collecting members email addresses and mobile telephone numbers when they contact the Fund.</i>	22.82%
Employer performance		
E7	Percentage of employers set up to make monthly data submissions	The Fund does not currently offer monthly data submissions. Confirmation is awaited from Civica UPM regarding the review and rewrite of its monthly returns module following feedback from other LGPS administering authorities already using it
E8	Percentage of employers who submitted monthly data on time during the reporting year	

As part of the McCloud project, the Fund collected additional data from scheme employers. Following review and verification all additional data has now been loaded into Civica UPM. Any outstanding issues continue to be worked through.

Fund members and employers

Fund members

On 31 March each year, the Administering Authority reports the number of Fund members in different categories. The Fund uses this information in its annual report, and for returns to the Pensions Regulator, the Office of National Statistics and CIPFA's benchmarking report.

Table 42: Breakdown of Fund membership as at 31 March 2025:

Type of member	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Active members	47,841	43,957	44,299	45,758	47,140	49,546
Deferred members	56,068	60,935	62,501	65,212	54,867	55,996
Preserved refunds*	-	-	-	-	12,289	12,119
Pensioners	38,923	40,481	42,715	44,732	45,896	48,363
Total membership	142,832	145,373	149,515	155,702	160,192	166,024

* Please note that from 2023/24 onwards, the number of deferred members and preserved refunds have been split into separate types of membership

Scheme employers

It is also important to understand the context of employers in the Fund. This information helps manage the collection of data from different employers.

The Fund is continuing to consolidate academy trusts into single employers. This trend will continue as academies continue to consolidate. The Fund anticipates the Secretary of State will receive further requests for other academies to transfer in and out of the Fund. Consolidation of academy trusts benefits the fund by reducing the complexity of administration. It also reduces costs by delivering economies of scale.

The following tables give a breakdown of the employers in the scheme, including the contributions they have paid, together with those of their members.

Table 43: Contributions received from employers admitted under Schedule 2 Part 1 (local authorities)

	Employer contributions (£)	Member contributions (£)	Total (£)
Ashfield District Council	4,954,587.92	1,204,894.32	6,159,482.24
Bassetlaw District Council	3,995,190.99	1,031,583.33	5,026,774.32
Broxtowe Borough Council	2,662,568.53	887,707.69	3,550,276.22
Gedling Borough Council	2,452,001.01	744,504.90	3,196,505.91

	Employer contributions (£)	Member contributions (£)	Total (£)
Mansfield District Council	5,414,144.83	1,119,544.62	6,533,689.45
Newark & Sherwood District Council	4,177,705.95	1,298,391.82	5,476,097.77
Nottingham City Council	47,312,617.68	14,170,586.21	61,483,203.89
Nottinghamshire County Council	52,362,730.00	15,701,588.96	68,064,318.96
Rushcliffe Borough Council	2,592,308.33	661,050.05	3,253,358.38

Table 44: Contributions received from employers admitted under Schedule 2 Part 1 (academies)

	Employer contributions (£)	Member contributions (£)	Total (£)
Abbey Primary School	155,073.78	41,262.31	196,336.09
Ambleside Primary School	207,670.26	54,092.47	261,762.73
Archbishop Cranmer CE Academy	64,012.01	16,850.73	80,862.74
Archway Learning Trust	2,707,664.76	772,830.24	3,480,495.00
Arnbrook Primary School	68,896.93	18,208.89	87,105.82
Arnold Hill Spencer Academy	352,341.26	94,276.47	446,617.73
Ashfield School	513,349.29	139,519.37	652,868.66
Barnby Road Trust	206,609.19	56,079.57	262,688.76
Believe Academy Trust/One Academy Trust	-	-	-
Bilborough College	263,310.11	85,143.07	348,453.18
Birklands Primary School	86,740.46	22,869.26	109,609.72
Bishop Alexander LEAD Academy	90,878.48	24,002.19	114,880.67
Bispham Spencer Academy	4,840.78	1,342.18	6,182.96
Bramble Academy	49,490.05	13,235.96	62,726.01
Brunts Academy	258,319.27	71,425.92	329,745.19
Bulwell Academy	500,085.71	105,428.57	605,514.28
Burntstump Seely C of E Academy	13,605.66	3,541.69	17,147.35
Carlton Academy	302,133.34	77,073.87	379,207.21
Carlton Infant Academy	88,016.86	23,341.99	111,358.85
Carlton Junior Academy	88,654.21	23,591.19	112,245.40
Carlton Le Willows Academy	351,643.46	88,872.35	440,515.81
Chetwynd Spencer Academy	125,507.39	33,498.14	159,005.53
Colonel Frank Seely Academy	205,685.60	56,320.91	262,006.51
Cotgrave Church of England Primary School	33,238.63	8,403.43	41,642.06
Denewood Learning Centre	68,360.11	20,015.86	88,375.97
Diocese of Southwell & Nottingham M.A.T.	114,614.44	36,256.47	150,870.91
Diverse Academies Trust	2,845,173.75	776,763.72	3,621,937.47
Djanogly City Academy Nottingham	511,233.27	175,610.48	686,843.75
Djanogly Learning Trust	425,664.14	112,597.03	538,261.17
Dukeries Academy	190,850.91	£51,887.96	£242,738.87
East Bridgford St Peters CE Academy	110,058.76	32,318.07	142,376.83
East Midlands Education Trust	3,669,288.94	993,732.93	4,663,021.87
Edna G Olds Academy	79,652.20	21,769.32	101,421.52
Elizabethan Academy Trust	288,812.99	81,363.10	370,176.09

	Employer contributions (£)	Member contributions (£)	Total (£)
Ellis Guilford School	295,575.38	82,961.78	378,537.16
Equals Trust	1,220,219.75	329,547.53	1,549,767.28
Esteem Multi Academy Trust	351,875.00	94,908.66	446,783.66
Fairfield Spencer Academy	170,787.68	45,359.40	216,147.08
Farnborough Spencer Academy	322,670.18	86,608.14	409,278.32
Fernwood Academy	269,943.10	74,025.90	343,969.00
Firbeck Academy	68,161.32	18,044.77	86,206.09
Flying High Trust	2,629,186.63	725,580.47	3,354,767.10
Forest Town Primary School	29,260.04	7,842.09	37,102.13
Forest View Academy	60,331.49	16,042.73	76,374.22
Forge Trust	29,344.02	9,845.67	39,189.69
Gamston St Peter's C of E Primary School	32,713.70	8,484.93	41,198.63
Garibaldi College	218,549.46	60,188.31	278,737.77
George Spencer Academy	925,290.83	267,943.09	1,193,233.92
Glaption Academy	67,728.48	16,644.46	84,372.94
Glenbrook Spencer Academy	161,270.27	43,269.81	204,540.08
Greenwood Academies Trust	853,606.59	239,662.07	1,093,268.66
Gunthorpe C of E Primary School	17,197.50	4,443.92	21,641.42
Haggonfields Primary School	41,243.10	11,022.66	52,265.76
Hall Park Academy	238,155.44	63,857.28	302,012.72
Harworth Church of England Academy	60,541.95	16,668.41	77,210.36
Hogarth Primary & Nursery School	85,152.18	23,184.71	108,336.89
Hucknall National C of E Primary School	110,887.86	29,676.72	140,564.58
Huntingdon Academy	168,607.59	44,378.53	212,986.12
Huthwaite All Saints Church of England Infant & Nursery School	46,557.27	12,359.98	58,917.25
John Hunt Primary School	73,975.27	19,490.88	93,466.15
Jubilee LEAD Academy	119,082.66	31,150.36	150,233.02
King's Church of England Primary Academy	109,963.39	30,454.03	140,417.42
Kingston Park Academy	70,661.26	19,085.83	89,747.09
Kirkby College	197,221.14	53,380.19	250,601.33
Kirkby Woodhouse School	128,519.17	34,322.53	162,841.70
L.E.A.D. Multi Academy Trust	443,390.85	155,724.91	599,115.76
Langar C of E Primary School	23,201.84	6,505.09	29,706.93
Langold Dyscarr Community School	93,336.62	24,790.42	118,127.04
Leverton CE Academy	34,913.70	9,050.10	43,963.80
Linby cum Papplewick C.E. Primary School	41,647.26	10,618.04	52,265.30
Magnus Church of England Academy	333,291.08	90,430.07	423,721.15
Manor Academy Trust	265,338.42	72,796.69	338,135.11
Mansfield Primary Academy	82,816.08	22,586.73	105,402.81
Maun Infants & Nursery School	30,410.80	8,420.02	38,830.82
Meden School	249,188.28	70,752.38	319,940.66
Milford Academy	171,176.21	45,993.36	217,169.57
Millside Spencer Academy	39,827.44	10,617.03	50,444.47
Minster Trust for Education	1,013,647.70	277,008.69	1,290,656.39
Mount C of E Primary	95,361.37	26,092.68	121,454.05

	Employer contributions (£)	Member contributions (£)	Total (£)
Nethergate School	234,259.08	63,788.12	298,047.20
Newark Academy	281,082.94	79,506.27	360,589.21
Nexus Multi Academy Trust	526,445.04	142,302.40	668,747.44
Norbridge Academy	130,652.64	34,564.80	165,217.44
Nottingham Academy	603,765.38	167,879.20	771,644.58
Nottingham Free School	141,215.82	37,815.23	179,031.05
Nottingham Girls Academy	208,654.42	59,752.73	268,407.15
Nottingham University Academy of Science & Technology	169,147.64	45,601.58	214,749.22
Nottingham University Samworth Academy	235,252.02	64,316.19	299,568.21
Oak Tree Primary School	117,480.08	31,363.53	148,843.61
Oakwood Academy	221,089.79	59,847.95	280,937.74
Old Basford School	156,797.74	38,380.57	195,178.31
Our Lady of Lourdes Catholic Multi Academy Trust	2,789,382.74	760,386.81	3,549,769.55
Outwood Academy Portland	330,600.18	87,754.23	418,354.41
Outwood Academy Valley	369,768.20	98,819.99	468,588.19
Park Vale Academy	274,737.40	73,710.78	348,448.18
Parkgate Academy	136,463.68	37,133.41	173,597.09
Portland Spencer Academy	178,454.21	47,513.05	225,967.26
Priory Catholic Vol Academy	68,338.72	17,636.54	85,975.26
Python Hill Academy	75,776.18	21,325.95	97,102.13
Quarrydale Academy	394,641.88	109,898.04	504,539.92
Radford Academy	90,406.09	24,539.86	114,945.95
Raleigh Learning Trust	130,254.68	38,031.45	168,286.13
Ranskill Primary School	46,890.91	12,080.09	58,971.00
Redhill Academy	335,892.92	89,862.59	425,755.51
Redhill Academy Trust	449,846.69	136,532.20	586,378.89
Robert Mellors Primary School	133,497.67	35,776.48	169,274.15
Robert Miles Infants School	53,915.92	14,307.26	68,223.18
Rosecliffe Spencer Academy	99,154.46	26,328.87	125,483.33
Rushcliffe Spencer Academy	460,329.51	125,383.63	585,713.14
Samworth Church Academy	326,592.73	90,457.97	417,050.70
Scotholme Primary School	144,562.35	39,215.55	183,777.90
Selston Church of England Infant & Nursery School	36,627.99	9,694.92	46,322.91
Selston High School	154,852.34	41,800.76	196,653.10
Serlby Park School	287,939.58	76,307.31	364,246.89
Shine Multi Academy Trust	-	-	-
Sir Donald Bailey Academy	151,473.96	41,110.72	192,584.68
Sir Edmund Hillary Academy	159,612.82	43,752.95	203,365.77
Sir John Sherbrooke Junior School	76,399.14	20,769.27	97,168.41
Skegby Junior Academy	64,757.87	16,805.68	81,563.55
South Nottinghamshire Academy	277,631.29	73,872.65	351,503.94
Southwark Primary School	206,377.96	57,413.51	263,791.47
Sparken Hill Academy	203,859.06	53,970.22	257,829.28

	Employer contributions (£)	Member contributions (£)	Total (£)
St Ann's Well Academy	94,494.20	25,242.04	119,736.24
St Augustine's Academy	121,519.33	31,807.21	153,326.54
St John's Church of England Academy	152,306.19	40,414.83	192,721.02
St Joseph's Catholic Primary School (Retford)	181,432.87	46,831.90	228,264.77
St Mary Magdalene C of E Primary School	49,070.30	13,017.09	62,087.39
St Mary's Church of England Primary School	36,080.18	9,320.15	45,400.33
St Peters Cross Keys C of E Academy	61,780.82	16,107.89	77,888.71
St Swithuns C of E Primary Academy	43,842.65	11,742.19	55,584.84
St. Peters Primary Academy Mansfield	98,873.87	26,253.89	125,127.76
Stonesoup Academy	112,701.86	31,910.71	144,612.57
Sunnyside Spencer Academy	102,050.37	27,012.79	129,063.16
Suther School	122,303.95	34,522.93	156,826.88
Sutton Community Academy	478,470.00	136,596.64	615,066.64
Sycamore Academy	172,291.38	40,499.62	212,791.00
The West Park Academy	82,845.97	22,656.04	105,502.01
Toot Hill School	636,440.66	184,482.26	820,922.92
Transform Trust	2,219,456.24	608,193.13	2,827,649.37
Two Counties Trust	440,186.16	135,827.61	576,013.77
Unity Learning Centre	60,797.67	17,003.78	77,801.45
Victoria Primary School	96,563.09	25,873.45	122,436.54
Warren Primary Academy	71,062.51	18,966.03	90,028.54
Wells Academy	184,830.09	50,446.05	235,276.14
Westbury School	111,164.50	30,431.44	141,595.94
Westdale Junior School	45,081.46	12,138.97	57,220.43
White Hills Park Trust	1,080,498.60	292,281.85	1,372,780.45
Whitemoor Academy	170,631.97	48,307.03	218,939.00
Windmill LEAD Academy	152,436.60	41,236.28	193,672.88
Winthorpe Primary School	38,474.98	9,604.04	48,079.02
Woodlands School	109,250.74	29,276.27	138,527.01
Worksop Priory C of E Academy	98,109.03	26,091.83	124,200.86

Table 45: Contributions received from employers admitted under Schedule 2 Part 1 (other)

	Employer contributions (£)	Member contributions (£)	Total (£)
East Midlands Combined County Authority	257,336.40	116,025.31	373,361.71
Mansfield & District Crematorium Joint Committee	73,190.86	18,514.03	91,704.89
Nottingham City Council - EMC	221,924.46	99,728.47	321,652.93
Nottingham College	3,721,656.24	1,187,055.19	4,908,711.43
Nottingham Trent University	15,131,371.23	5,525,338.93	20,656,710.16
Nottinghamshire Combined Fire Authority	1,319,071.41	386,817.55	1,705,888.96
Police & Crime Commissioner	-	-	-
The Chief Constable	10,687,035.60	3,684,337.20	14,371,372.80
West Nottinghamshire College	851,061.25	275,330.08	1,126,391.33

Table 46: Contributions received from employers admitted under Schedule 2 Part 2 (town and parish councils)

	Employer contributions (£)	Member contributions (£)	Total (£)
Aslockton Parish Council	-	-	-
Balderton Parish Council	6,185.03	12,456.83	58,641.86
Beckingham cum Saundby Parish Council	4,465.76	1,079.83	5,545.59
Bingham Town Council	29,484.19	7,725.06	37,209.25
Blidworth Parish Council	8,680.79	2,058.83	10,739.62
Burton Joyce Parish Council	31,745.70	8,230.24	39,975.94
Calverton Parish Council	10,961.71	2,588.49	13,550.20
Clayworth Parish Council	564.25	145.73	709.98
Clipstone Parish Council	20,559.97	3,980.34	24,540.31
Cotgrave Town Council	27,391.45	6,215.82	33,607.27
Cropwell Bishop Parish Council	6,914.34	1,905.43	8,819.77
Dunham & District Parish Council	1,500.79	348.81	1,849.60
Eastwood Town Council	13,971.65	3,928.35	17,900.00
Edwinstowe Parish Council	26,047.67	5,723.49	31,771.16
Fernwood Parish Council	19,422.42	4,792.33	24,214.75
Greasley Parish Council	39,610.96	10,195.92	49,806.88
Harworth & Bircotes Town Council	35,214.37	9,047.44	44,261.81
Hodsock Parish Council	1,063.30	289.55	1,352.85
Keyworth Parish Council	12,580.08	3,388.68	15,968.76
Kimberley Town Council	14,851.97	3,912.59	18,764.56
Laneham Parish Council	1,740.26	402.90	2,143.16
Langar Cum Barnstone PC	3,630.91	855.01	4,485.92
Linby Parish Council	1,579.79	407.98	1,987.77
Misterton Parish Council	9,388.31	1,293.87	10,682.18
Newark Town Council	142,947.05	35,737.71	178,684.76
Nuthall Parish Council	5,374.68	279.93	5,654.61
Ollerton & Boughton Town Council	54,177.40	13,646.98	67,824.38
Papplewick Parish Council	1,711.37	441.94	2,153.31
Radcliffe on Trent Parish Council	26,175.61	5,770.25	31,945.86
Rainworth Parish Council	6,181.92	1,685.16	7,867.08
Rampton Parish Council	5,835.69	1,616.75	7,452.44
Ravenshead Parish Council	11,084.83	3,126.41	14,211.24
Rhodesia Parish Council	822.11	126.99	949.10
Ruddington Parish Council	24,983.18	6,796.83	31,780.01
Selston Parish Council	30,246.50	8,395.45	38,641.95
South Leverton Parish Council	1,560.26	402.90	1,963.16
Southwell Town Council	36,580.79	9,358.99	45,939.78
Stapleford Town Council	11,836.16	2,999.40	14,835.56
Treswell with Cottam Parish Council	655.14	169.14	824.28
Trowell Parish Council	8,965.05	2,555.78	11,520.83
Tuxford Town Council	12,535.93	2,959.82	15,495.75
Warsop Parish Council	9,130.64	2,176.90	11,307.54

	Employer contributions (£)	Member contributions (£)	Total (£)
Woodborough Parish Council	6,793.03	1,611.27	8,404.30
Workshop Charter Trustees	1,244.41	287.81	1,532.22

Table 47: Contributions received from employers admitted under Schedule 2 Part 2 (other)

	Employer contributions (£)	Member contributions (£)	Total (£)
Active4Today Ltd	312,853.29	105,251.48	418,104.77
Liberty Leisure Limited	357,772.69	71,737.54	429,510.23
Nottingham City Transport Limited	571,615.41	17,555.40	589,170.81
Scape Group Limited	962,067.68	439,615.32	1,401,683.00
Trent Valley Drainage Board	76,727.52	20,756.02	97,483.54

Table 48: Contributions received from admitted bodies (admission)

	Employer contributions (£)	Member contributions (£)	Total (£)
Accuro FM Ltd (GNET)	1,854.62	404.92	2,259.54
Ace Sports Midlands Limited	-	-	-
Alliance in Partnership Limited	21,357.36	4,624.28	25,981.64
Arc Property Services Partnership Limited	907,086.52	349,543.99	1,256,630.51
Aspens Services Limited (Meden)	11,654.96	2,356.75	14,011.71
Aspens Services Limited (Newark)	3,838.02	805.68	4,643.70
Aspens Services Limited (Nova)	67,700.08	15,827.52	83,527.60
Aspens Services Limited (OLOL)	39,955.77	11,082.58	51,038.35
Aspens Services Limited (OLSE)	3,026.28	880.68	3,906.96
Aspens Services Limited (Rosslyn)	8,229.29	1,740.73	9,970.02
Aspens Services Limited (Sneinton St Stephens)	4,354.23	1,069.12	5,423.35
Aspens Services Limited (St Edmund)	3,912.42	881.77	4,794.19
Aspens Services Limited (St John's)	1,970.14	790.97	2,761.11
Aspens Services Limited (TCT)	7,987.74	1,877.34	9,865.08
Aspens Services Limited (Transform)	2,864.79	676.25	3,541.04
Aspens Services Limited (WHPT)	52,679.46	12,443.47	65,122.93
Barnsley Premier Leisure	324,802.36	118,739.55	443,541.91
Bestwood Partnership Forum	20,599.76	4,494.84	25,094.60
Carers Federation	48,371.72	14,902.32	63,274.04
Cater Link Limited (Creative)	12,645.42	2,530.20	15,175.62
Cater Link Limited (Outwood Kirkby)	8,696.54	2,049.63	10,746.17
Change Grow Live	35,368.03	10,900.32	46,268.35
Child Migrants Trust	21,089.84	7,039.08	28,128.92
Coombs Catering Partnership Limited	2,855.88	858.32	3,714.20
Culture, Learning and Libraries (Midlands)	953,922.04	306,022.06	1,259,944.10
Dolce Limited	15,922.87	3,539.66	19,462.53

	Employer contributions (£)	Member contributions (£)	Total (£)
East Midlands Crossroads - Caring for Carers	1,853.03	1,074.71	2,927.74
Enerveo Limited	36,014.99	12,545.16	48,560.15
Fitzroy Support	4,583.82	1,107.74	5,691.56
Framework Housing Association	73,859.85	25,066.09	98,925.94
FSM Centres Limited	6,694.03	958.62	7,652.65
Futures Advice, Skills and Employment Ltd	274,729.68	91,674.22	366,403.90
Gedling Homes	232,650.12	148,396.03	381,046.15
Hi Spec Facilities Services Limited	14,109.74	3,362.18	17,471.92
Innovate Services Limited (Minster)	19,257.75	5,816.05	25,073.80
Institute of Cemetery and Cremation Management	71,353.35	22,734.36	94,087.71
LTA Services Limited	42,367.58	10,421.43	52,789.01
Marketing Nottingham & Nottinghamshire Limited	12,377.87	2,995.01	15,372.88
Mellors Catering Services Limited (Evolve)	18,716.23	4,764.56	23,480.79
Metropolitan Housing Trust	77,308.62	19,573.12	96,881.74
More Leisure Community Trust Limited (Mans)	74,159.94	20,068.92	94,228.86
More Leisure Community Trust Limited (NWSC)	103,517.54	27,782.56	131,300.10
Newark Emmaus Trust Ltd	40,259.12	11,590.44	51,849.56
Nottinghamshire Association of Local Councils	9,229.04	2,424.64	11,653.68
OCS Group UK Ltd (Project co 1)	9,150.00	2,165.76	11,315.76
Our Learning Cloud Limited	58,454.20	28,117.02	86,571.22
Parkwood Leisure Limited	33,190.60	3,878.28	37,068.88
Pendergate Limited	30,801.35	6,803.58	37,604.93
Royal Society for the Protection of Birds	26,495.23	5,889.69	32,384.92
Royal Society Mencap	49,006.48	15,915.74	64,922.22
SLM Limited	8,495.37	5,041.86	13,537.23
Taylor Shaw Limited (Equals)	87,413.90	23,562.18	110,976.08
Thera East Midlands Ltd	18,322.65	5,683.86	24,006.51
UPP (Nottingham) Ltd	42,732.61	9,413.77	52,146.38
Via East Midlands Limited	2,130,749.35	667,457.67	2,798,207.02

Table 49: Contributions received from admitted bodies (other)

	Employer contributions (£)	Member contributions (£)	Total (£)
Autism East Midlands	115,015.93	27,037.55	142,053.48
Bramcote Crematorium Joint Committee	80,060.09	20,997.40	101,057.49
Citizens Advice Broxtowe	32,772.16	9,705.82	42,477.98
Clifton Advice Centre	7,588.85	2,102.11	9,690.96
Greenfields Centre Limited	19,847.05	6,847.40	26,694.45
Mansfield Road Baptist Housing	26,143.22	6,151.83	32,295.05
Meadows Advice Group	7,894.69	2,726.85	10,621.54
Nottingham Citizens Advice Bureau	31,144.10	8,070.72	39,214.82
Nottingham Ice Centre Ltd.	54,821.28	26,633.28	81,454.56
Nottinghamshire Deaf Society	8,752.44	2,531.19	11,283.63
NTU Union of Students	60,225.65	20,851.10	81,076.75

	Employer contributions (£)	Member contributions (£)	Total (£)
Renewal Trust	30,169.18	6,907.90	37,077.08
Rural Community Action Notts	23,763.25	6,736.11	30,499.36
Skills & Education Group	70,805.16	25,001.06	95,806.22

Table 50: Movement of employers into and out of the Fund

Admission type	Number of active employers	Number of ceased employers
Schedule 2 part 1 (local authorities)	9	
Schedule 2 part 1 (academies)	152	
Schedule 2 part 1 (other)	9	125
Schedule 2 part 1 – Total	170	125
Schedule 2, part 2 (town and parish councils)	44	
Schedule 2, part 2 (other)	5	18
Schedule 2, part 2 – Total	49	18
Admitted (admission)	55	
Admitted (other)	14	147
Admitted - Total	69	147
Total	288	272

When scheme employers no longer have any active members, this drives an employer closure. During 2024/25 four academies have joined the Fund, with three leaving. In year changes to Schedule 2, Part 2 employers were three town or parish councils joining the scheme and one 'Other' employer who left.

Of the admitted (other) bodies, five new employers joined the scheme, while 12 ceased to be members during 2024/25.

Communications Strategy

The Fund's [Communications Strategy](#) sets out its strategy for involving stakeholders in the pension fund. A key part of this strategy is a dedicated pension fund website. This is available at www.nottspf.org.uk. It includes all the policy statements as well as a great deal more information about the investments and benefits of the pension fund.

Benefit statements

Every year the Pensions Office must send annual benefit statements to its active and deferred members. The statement informs the scheme member of the value of their benefits and provides an overview of when they may become payable.

Nottinghamshire Pension Fund website (www.nottspf.org.uk)

The website meets modern website design standards and is accessible using a range of devices. The website supports members to self-serve accessing up-to-date information on the LGPS, as well as enabling members to complete a range of online forms. The website also includes its policies and information on the Fund's investment performance.

Future developments will give members restricted access to their own pension record via a secure self-service members' portal. The platform will enable members to update personal details, submit forms and generate estimates against certain criteria. Until this work is complete, the Fund continues to improve access to information on its website.

With the public launch of the National Pension Dashboard initiative towards the end of 2026, individuals will be able to see details about all their pension benefits, from all their pension providers, including their state pension, in one place. Connecting members to dashboards will fundamentally change retirement planning.

Employer support and compliance function

The Pensions Office Employer Support and Compliance team is responsible for liaising with scheme employers on a range of matters. It also monitors their performance and compliance against the Administration Strategy. The team also:

- Supports employers in fulfilling their statutory responsibilities
- Communicating regulation and process changes
- Reviewing and improving data quality, including undertaking data audits
- Developing improved communication methods between the pensions office and employers
- Working on employer acceptance into the scheme as well as employer closures
- Supporting employers through the year end process. For the year 2024/25 participating employers in the scheme were required to provide accurate year-end data by 9 May 2025
- Ad hoc individual or group support and training sessions with LGPS employers
- Work on employer acceptance into the scheme plus employer closures

The team continues to monitor the performance of scheme employers to ensure that scheme employers meet their statutory requirements in the administration of the scheme.

The team has continued to collaborate with employers to improve the submission of pensions data to the Fund.

There are statutory requirements for participating scheme employers to provide timely and accurate year-end data.

For 2024/25 year, participating employers were required to provide accurate data by 9 May 2025. The annual benefit statements were issued to deferred members of the scheme by the end of June 2025 with all active benefit statements issued within the first two weeks of August 2025. A further issue of statements occurred in early November to provide a statement to members where data was provided late to the fund or there were queries with the submitted data which had to be rectified.

Table 51: Number of annual benefits statements issued in respect of 2024/25

Type of member	Date of distribution First Run/Second Run	Number of statements issued
Active	August 2025 (91%)/ December 2025(1%)	45,087 495
Councillors	August 2025	58
Deferred	August 2025 (83%)/ September 2025 (2%)	46,477 1,120
Total		93,237

Where employers fail to meet the requirements set out in the Administration Strategy, the Fund reserves the right to charge the employer for additional administration time where appropriate. The fund also reserves the right to report employers to the Pension Regulator where there is a breach of statutory regulations.

The implications of not receiving data from scheme employers can be serious, potentially leading to incorrect pension calculations. Without the correct data, the Administering Authority may not be able to issue annual benefit statements to individual members where the scheme employer has failed to provide the required data. This scenario would result in a breach of statutory regulations and may result in the fund being subject to a fine. Any fines are passed on to the appropriate non-compliant scheme employers.

The Fund is monitoring employers' performance and undertaking several audits on employers' data. Each year following year-end the team sends invoices for additional work undertaken when scheme employers fail to provide their statutory data on time.

Value for money statement

The Nottinghamshire Pension Fund administration team continue to participate in the annual CIPFA benchmarking club. The submission provides the Fund with a cost per members and the average cost per members across all Funds who provide a return to the Club. The administration cost per member within the Nottinghamshire Pension Fund is consistently lower than the average cost in the benchmarking club.

Table 52: Cost per member of Nottinghamshire Pension Fund compared with CIPFA benchmarking club average

£ per member	2020- 2021		2021-2022		2022-2023		2023-2024	
	Cost	Number of Funds	Cost	Number of Funds	Cost	Number of Funds	Cost	Number of Funds
Fund cost per member	£14.08		£15.35		£16.65		£17.19	
Average cost in the benchmarking club	£21.18	21	£22.15	14	£22.97	14	£26.21	15

Costs for 2024-2025 – Information is expected to be released by CIPFA in December 2025.

Internal Dispute Resolution

The tables below outline the number of written complaints received by the Administering Authority in 2024/25 along with the number of formal appeals at stage 1 and stage 2 of the Internal Dispute Resolution Procedure (IDRP) process along with the number of appeals the Administering Authority is aware have been submitted to the Pensions Ombudsman in respect of cases escalated following the two-stage adjudication process.

The first table represents complaints that have been raised directly with the Pension Administration Team which have been resolved without the member progressing to the IDRP.

Table 53: Complaints received by the Fund not progressing into the IDRP process

Recorded written complaints						
Date	Total	Closed	Outstanding	Justified	Partially justified	Not justified
2024/25	10	10	0	3	2	5
2023/24	31	31	0	4	3	24
2022/23	23	18	5	4	2	12
2021/22	31	15	16	7	6	4
2020/21	26	24	2	14	3	9
2019/20	25	23	2	4	6	13

The matters which are subject to the most complaints are:

- Lack of timely response
- Final pension figures differ from the estimate
- Member has incorrectly completed their retirement pack and wishes to change their election.
- Lack of response from the inhouse AVC providers – Prudential and Scottish Widows

Internal Disputes Resolution Procedure

IDRP Stage 1

At Stage 1, the member has the right to apply to an adjudicator appointed by their scheme employer or the administering authority of the Fund, dependent on who made the decision on which the complaint is based.

Where the decision was made by the Fund, the administering authority's appointed adjudicator reviews the decision at Stage 1 to determine whether evidence supports upholding the member's complaint against the actions and decisions made by the Fund, and where necessary, what corrective actions or remedy should be applied.

If the member is dissatisfied with the adjudicator's decision, they have the further right to refer that decision to the administering authority for reconsideration at Stage 2.

IDRP Stage 2

An Adjudicator is appointed by the administering authority to review and reconsider the original decision and the Stage 1 adjudication and provide a decision on whether to uphold the application, and if upheld, what corrective actions or remedy should be applied.

If the member remains dissatisfied with the adjudicator's decision, they have the further right to escalate their appeal to The Pensions Ombudsman.

The following tables show the numbers of Stage 1 and Stage 2 adjudications which were adjudicated by the Administering Authority in 2024-2025.

The main themes of IDRP complaints are –

- Ill health retirement
- Difference between estimate and actual benefit calculations
- Misquote/Misinformation
- Death grant payment

Table 54: Complaints dealt with under the Fund's Internal Dispute Resolution Procedure

IDRP – Stage 1 appeals against the Administering Authority 2024/25				
Total	Appeals upheld	Appeals dismissed	Progressed to stage 2	Awaiting decision
5	4 (Partial)	1	3	0
IDRP – Stage 2 appeals against the Administering Authority				
Total	Appeals upheld	Appeals dismissed	Progressed to Ombudsman	Awaiting decision
8	3 (Partial), 1 upheld	4	Unknown	0

The Stage 1 figures relate to those cases considered by the Administering Authority. The Fund does not hold information on stage 1 cases considered by Scheme Employers.

The Stage 2 figures relate to cases considered by the Administering Authority where the stage 1 cases have been considered by either the Administering Authority or the Scheme Employer



NOTTINGHAMSHIRE
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Section 7

Actuarial report on Funds

Nottinghamshire County Council Pension Fund

Actuary's Statement as at 31 March 2025

Barnett Waddingham LLP

20 October 2025

Introduction

The last full triennial valuation of the Nottinghamshire County Council Pension Fund (the Fund) was carried out as at 31 March 2022 as required under Regulation 62 of the Local Government Pension Scheme Regulations 2013 (the Regulations) and in accordance with the Funding Strategy Statement of the Fund. The results were published in the triennial valuation report dated 30 March 2023.

Asset value and funding level

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

- The smoothed value of the Fund's assets for funding purposes as at 31 March 2022 was £6.5bn.
- The Fund had a funding level of 100% i.e. the value of assets for funding purposes was 100% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used. This corresponded to a surplus of £9m.

Contribution rates

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

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

The primary rate of contribution on a whole Fund level was 19.0% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2023.

In addition, each employer pays a secondary contribution as required under Regulation 62(7) that when combined with the primary rate results in the minimum total contributions. This secondary rate is based on their particular circumstances and so individual adjustments are made for each employer.

Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in the triennial valuation report.

Assumptions

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

Assumptions	Assumptions used for the 2022 valuation
Financial assumptions	
Market date	31 March 2022
CPI inflation	2.9% p.a.
Long-term salary increases	3.9% p.a.
Discount rate	4.7% p.a.
Demographic assumptions	
Post-retirement mortality	
<i>Base tables</i>	115% (M) / 110% (F) of S3PA
<i>Projection model</i>	CMI 2021
<i>Long-term rate of improvement</i>	1.25% p.a.
<i>Smoothing parameter</i>	7.0
<i>Initial addition to improvements</i>	0% p.a.
<i>2020/21 weighting parameter</i>	5%

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

Updated position since the 2022 valuation

Assets

Returns over the year to 31 March 2025 have been reasonable, estimated at 3.8% p.a. As at 31 March 2025, in market value terms, the Fund's assets were slightly less than where they were projected to be based on the previous valuation.

Liabilities

The key assumption which has the greatest impact on the valuation of liabilities is the real discount rate (the discount rate relative to CPI inflation) – the higher the real discount rate the lower the value of liabilities. As at 31 March 2025, the real discount rate is estimated to be higher than at the 2022 valuation due to a reduction in the long-term rate of inflation and an increase in the assumed investment return from 31 March 2025 onwards. This has reduced the value placed on the liabilities relative to the previous valuation.

The value of liabilities will have increased due to the accrual of new benefits and interest on the liabilities. In addition, benefits were increased by 1.7% in line with the 2025 LGPS pension increase order.

Overall position

The Fund's asset returns have been lower than expectations over the period since the last formal valuation. The liabilities have increased slightly as a result of the pension increases awarded in 2025, however these increases have not been as high as those awarded in 2023 and 2024. These increases have been largely offset by the increase in net discount rate.

Overall, this has resulted in a reduction to the funding position as at 31 March 2025, compared to the previous valuation.

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

The next formal valuation is being carried out as at 31 March 2025 with new contribution rates set from 1 April 2026.



Barry McKay FFA
Partner, Barnett Waddingham LLP



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Section 8

External Audit opinion

*Audit opinion to be added on
receipt*

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Section 9

Additional information

Additional information

Glossary

Term	Definition
50/50 section	Members of the LGPS can decide to enter the 50/50 section of the scheme. This means they pay half their normal pension contribution rate and build half the pension they would in the full scheme.
Accrual rate	The rate at which a member's benefits build. The accrual rate from 1 April 2014 is a 49 th . Before 1 April 2008, the accrual rate was an 80 th and from 1 April 2008 to 31 March 2014 it was a 60 th .
Active investments	Investments where professionals track the performance of the Fund's mandates. They make decisions to buy, hold, and sell assets with a view to outperforming the market.
Active member	Also called a 'contributing member'. Someone who is paying LGPS contributions.
Actuarial reduction	Also called percentage reduction. The amount pension and lump sum benefits reduce if taken before normal retirement age.
Actuarial valuation	A three yearly valuation of the Fund undertaken by the actuary. It ensures the Fund is sufficiently well managed and that its assets meet its liabilities. Employer contribution rates are set as part of the valuation process.
Actuary	A qualified, independent person or body appointed by the Administering Authority to value the Fund and therefore set contribution rates. Nottinghamshire Pension Fund's Actuary is Barnett Waddingham.
Additional voluntary contributions (AVCs)	Extra payments a member can make to increase future benefits. AVCs are deducted directly from pay and attract tax relief. Currently Nottinghamshire's AVC providers are Prudential and Scottish Widows.

Term	Definition
Administering Authority	A body, usually a local authority, that maintains a pension fund under the LGPS regulations. The Administering Authority for the Nottinghamshire LGPS is Nottinghamshire County Council.
Admission Agreement	An agreement that allows a contractor to become part of the LGPS. It is between the administering authority, a scheme employer, and the contracted company.
Admission body	An employer that chooses to take part in the scheme under an admission agreement. Admission bodies tend to be employers such as charities or contractors. Their work is normally of a similar nature to local government work.
Annual allowance	The maximum annual increase to pension benefits before the member is subject to a tax charge.
Annual benefit statement (ABS)	<p>Funds must provide all active and deferred members with an ABS by 31 August every year. It will include an estimate of:</p> <ul style="list-style-type: none"> - Pension built up for the previous tax year (1 April to 31 March) - The current value of pension benefits on 31 March - An estimate of pension benefits if paying into the LGPS pension at the same rate until your normal pension age - An estimate of the death in service grant
Annual pension	Yearly amount of pension, payable for life, quoted in annual benefit statements at its unreduced rates.
Approved scheme	A scheme approved under Chapter 2 Part 4 of the Finance Act 2004, thereby granting tax relief on contributions paid.
Asset allocation	The way the Fund spreads its assets between different types of investments. The Fund sets out its long-term strategic asset allocation in its Investment Strategy Statement. This also reflects its investment objectives.
Assets under management	The total market value of the investments managed by a person or entity on behalf of the Fund, either by the pool or another Fund manager.

Term	Definition
Augmentation costs	The costs imposed on LGPS employers who choose to retire members of the scheme before their normal retirement date and award them additional pension in compensation for their loss of office.
Automatic enrolment	From October 2012 the Government introduced a requirement for workers to be automatically enrolled in a work-based pension scheme.
Authorised payments	Payments that a pension scheme is allowed to make that are not subject to a specific tax charge.
Benchmark	A measure used to assess the performance of investment policy or the performance of an investment manager.
Beneficiary	Anyone due to receive payment(s) from the LGPS.
Benefit crystallisation event	Any time pension benefits are taken from a pension scheme. Part or all of the person's lifetime allowance is used at this point.
Bulk transfer	The transfer of pension rights between one occupational scheme and another on behalf of a group of staff transferring from one employer to another. This type of transfer will usually provide better benefits for the transferring members than individual Cash Equivalent Transfer Values would provide.
Career average revalued earnings (CARE)	From 1 April 2014 the LGPS became a career average revalued earnings scheme. The pension built up from 1 April 2014 is calculated on a CARE basis. The pension built up before 1 April 2014 is linked to final salary.
The Chartered Institute of Public Finance and Accountancy (CIPFA)	CIPFA is the main professional body for accountants working in public services. It also has an educational and advisory role.
Club scheme	A scheme within the public sector, or one outside the public sector, that has agreed to use the public sector method of calculating transfer values.

Term	Definition
Commutated pension	Also called a compounded pension. When a member's pension is very small and is paid as a one-off capital value to extinguish the ongoing liability.
Consumer Price Index (CPI)	A method of measuring the changes in the cost of living. Since April 2011, LGPS pensions have increased annually in line with movement in the Consumer Price Index during the 12 months to the previous September. The adjustment ensures that pensions keep up with the cost of living.
Contracted out	The LGPS was contracted out of the State Earnings Related Pension Scheme (SERPS), and the State Second Pension (S2P) from 6 April 1978 to 5 April 2016. This meant that most LGPS members paid reduced National Insurance contributions.
Conversion of benefits	When a member elects to convert part of a pension into an additional lump sum.
Custodian	A financial institution that holds customers' securities for safekeeping to minimise the risk of theft or loss.
Death grant	An amount paid to a member's estate or nominated beneficiary or beneficiaries in the event of their death in service, death in retirement or death as a deferred member. Such a nomination is not legally binding and is an expression of wish only. The administering authority has ultimate discretion when releasing death grant payments.
Deferred benefits	May be call preserved benefits. Benefits that remain with the Fund when a member leaves without entitlement to the immediate payment of those benefits. Provided they are not transferred out, deferred benefits are paid unreduced from the member's normal retirement date. They can be paid from 55 years old at a reduced rate.
Deferred member/pensioner	A scheme member who has left employment or otherwise ceased to be an active member of the scheme who retains an entitlement to a pension from the Fund.

Term	Definition
Defined benefit scheme	A pension scheme with benefits based on a person's salary and how long they pay into the scheme. The pension is not affected by how well investments perform.
Designating Body	Bodies that can designate employees for access to the scheme. Examples of designating bodies include town and parish councils, voluntary schools, foundation schools, foundation special schools, federated schools, technical institutes, Transport for London and the Children and Family Court Advisory and Support Services.
Direct property	Direct investment in property is buying all or part of a physical property. Property owners can receive rent directly from tenants and realise gains or losses from the sale of the property.
Discretion	A power that lets employers or administering authorities choose how to apply certain LGPS regulations.
Diversified Growth Fund (DGF)	An alternative way of investing in shares, bonds, property, and other asset classes. DGFs are funds that invest in a wide variety of asset classes to deliver a real return over the medium to long-term.
Early retirement	Payment of pension benefits to a member before their normal retirement age.
Earmarking	Where a court order issued on completion of a divorce earmarks part of a member's benefits for their former spouse.
Efficiency dismissal	When an employer asks a member aged 55 or over to retire in the interests of the efficient exercise of the employer's functions. Usually as part of a wider business efficiency review, or exercise. The Fund treats affected members the same as voluntary or compulsory redundancies.
Employer contribution rates	The percentage of an employee's salary paid towards their LGPS pension by participating employers.
Employer covenant	An employer's legal obligation and financial ability to support their defined benefit obligation now and in the future.

Term	Definition
Equities	Ordinary shares in UK and overseas companies traded on a stock exchange. Shareholders have an interest in the profits of the company and are entitled to vote at shareholders' meetings.
Environmental, Social and Governance (ESG)	Considering environmental, social and governance factors alongside financial ones when making investment decisions. These three factors are key when assessing an investment's sustainability.
Fiduciary duty	An Administering Authority's duty to act in the best interests of scheme members.
Final pay	The pay figure used to calculate pension benefits from membership before 1 April 2014. In most cases, it is the average full-time equivalent pay, plus pensionable allowances, from the last year of active membership. Calculations can use pay from one of the previous two years if it is higher.
Fixed Interest Securities	Investments, mainly in Government stocks, which guarantees a fixed rate of interest. The securities represent loans that are repayable at a future date that can be traded on a recognised stock exchange in the meantime.
Final salary scheme	A type of defined benefit pension scheme that uses the member's final pay and length of membership to work out the benefits payable. Benefit calculations for membership up to 31 March 2014 uses a member's final salary. Calculations for pension built up from 1 April 2014 uses a career average revalued earning base.
Funding Strategy Statement (FSS)	The FSS sets out the Fund's policy for ensuring employer pension liabilities are met. Reviews of the FSS take place every three years alongside the actuarial valuation.
Gainful employment	Employment for not less than 30 hours in each week for a period of not less than 12 months.
Guaranteed Minimum Pension (GMP)	The LGPS guarantees to pay a pension that is at least as high as the member would have earned had they not been contracted out of the State Earning Related Pension Scheme (SERPS) at any time between 6 April 1978 and 5 April 1997.

Term	Definition
Index	A calculation of the average price of shares, bonds, or other assets, in a specified market to provide an indication of the average performance and general trends in the market.
Ill health retirement	When an employer terminates a member's employment because they are permanently incapable of doing their job as a result of ill health. The member is judged to have a reduced likelihood of engaging in gainful employment before their normal retirement age.
Index linking	The inflation proofing of LGPS benefits, in line with the Consumer Price Index (CPI)
Inter-fund adjustment	A transfer of pension rights on behalf of a member who has left one local government employment to take up another in a different region of the country.
Internal dispute resolution procedure (IDRP)	A formal procedure for resolving disagreements about decisions on LGPS pension matters.
Investment Strategy Statement (ISS)	The ISS sets out the principles that guide the investment of the Fund's assets. It also sets out the framework for investing Fund assets in a way consistent with the Funding Strategy Statement.
LGPS Central	LGPS Central Limited manages the pooled assets of its partner funds. These are Cheshire Pension Fund, Derbyshire Pension Fund, Leicestershire Pension Fund, Nottinghamshire Pension Fund, Shropshire Pension Fund, Staffordshire Pension Fund, West Midlands Pension Fund and Worcestershire Pension Fund.
Lifetime allowance	The value of pension benefits an individual can build up before a lifetime allowance charge is applied. The charge is not applicable to benefits taken from 6 April 2024.
Local Government Pension Scheme (LGPS)	The LGPS is the largest public sector pension scheme in the UK. It provides defined benefits to employees of local government and other participating organisations.

Term	Definition
Local Pensions Board	Since April 2015, each Administering Authority has had to operate a Local Pensions Board. The Board assists the Administering Authority in securing compliance with LGPS regulations, overriding legislation and guidance from the Pensions Regulator. It also supports the effective and efficient administration of the pension fund. The Board comprises equal representation from employer and scheme member representatives.
Lifetime annuity	A series of regular payments made to an individual for the rest of their life. A secured pension paid by an insurance company.
Local Authority Pension Fund Forum (LAPFF)	LAPFF promotes high standards of corporate governance to protect the long-term value of local authority pension funds.
Lump sum retirement grant	Also known as statutory retirement grant or lump sum. A tax-free lump sum paid at retirement.
McCloud Judgment	The outcome of a 2018 court case. It found there was discrimination against younger members because protections put in place when the scheme changed from final salary to a career average scheme did not apply to them.
McCloud Remedy	Changes introduced in 2023 removing age discrimination found in the McCloud court case.
Ministry of Housing, Communities and Local Government (MHCLG)	The Government department responsible for making scheme regulations for the LGPS. The Secretary of State for MHCLG is the 'Responsible Authority'
Minimum pension age	The minimum age a member must be to receive their pension. There is no minimum age for ill health retirement.
Nomination of beneficiary	Members can make an expression of wish, nominating who they would like to receive any lump sum that may be payable when they die.
Non-club scheme	A scheme that can pay and receive transfer values but does not use the public sector method of calculation.

Term	Definition
Ordinary shares	An ordinary share represents equity ownership in a company and entitles the owner to vote at the general meetings of that company and receive dividends on those shares if a dividend is payable.
Passive investments	Passive investments aim to match the returns of a specific market or index, they do not try to beat it.
Pensionable pay	Normal pay plus any additional payments defined in an employee's contract of employment as being pensionable. To be pensionable, pay must be taxable. From 1 April 2014 pensionable pay includes non-contractual overtime.
Pension credit	Benefit granted to an ex-spouse of a member following a divorce settlement and in accordance with a court order (an alternative to earmarking).
Pension debit	A reduction in a scheme member's benefits to provide their ex-spouse with a pension credit following a divorce settlement (an alternative to earmarking).
The Pension Advisory Service (TPAS)	TPAS gives information and guidance on state, company, and personal pensions. It helps any member of the public who has a problem with their occupational or private pension arrangement. It is an executive non-departmental public body sponsored by the Department for Work and Pensions.
Pensions UK (formerly the Pension and Lifetime Savings Association (PLSA))	A trade association for those designing, operating, advising, and investing in all aspects of workplace pensions.
Pension Ombudsman	An independent organisation to deal with pension complaints
Pension sharing	The splitting of a member's benefits upon divorce.
Pensions Regulator	The Pensions Regulator is the UK regulator of workplace pension schemes. It makes sure that employers put their staff into a pension scheme and pay money into it. It also makes sure that workplace pension schemes are run properly so that people can save safely for their later years.

Term	Definition
Pooling	Central government requires LGPS funds to pool their pension assets to achieve four principles: <ol style="list-style-type: none"> 1. Cost savings through economies of scale 2. Improved governance 3. Improved approach to responsible investment 4. Improved ability to invest infrastructure assets
Proxy voting	Proxy voting allows shareholders to exercise their right to vote without needing to attend AGMs. Shareholders with voting rights can delegate their votes to others who vote on their behalf.
Rates and adjustment certificate	A certificate issued by the actuary following a valuation of the Fund. It sets out the contribution rates payable by each of the Fund's employers.
Registered scheme	A scheme approved by HM Revenue and Customs. The LGPS is a registered public scheme.
Responsible investment	Responsible investment involves incorporating ESG considerations in investment decision-making while practicing active ownership. Responsible investment can help deliver sustainable, long-term returns for investors.
Retail price index	A method of measuring the changes in the cost of living. It reflects the movement of prices covering goods and services over time. Until April 2011, the amount by which LGPS pensions were increased annually was based on movement in the Retail Price Index during the 12 months to the previous September. From April 2011, the Government changed the amount by which pensions increase from the Retail Price Index to the Consumer Price Index.
Return	The total gain from holding an investment over a given period, including income and increases or decreases in market value.
Scheduled body	An organisation that has a right to become a member of the LGPS under the scheme regulations. Such an organisation does not need to be admitted as its right to membership is automatic.

Term	Definition
Scheme Advisory Board (SAB)	SAB was set up under the Public Service Pensions Act 2013 and the Local Government Pension Scheme Regulations 110-113 to encourage best practice, increase transparency and coordinate technical and standards issues.
Shared cost additional voluntary contributions (SCAVCs)	An AVC scheme set up by a scheme employer, into which they can make contributions as well as the employee.
Shortfall costs	The costs LGPS employers must pay when they retire members of the scheme before their normal retirement ages. This may be on the grounds of redundancy or, in some cases, flexible retirement.
Survivor's pension	A pension paid immediately after a member's death to a spouse, registered civil partner, or, subject to certain qualifying conditions, an eligible cohabiting partner for the rest of their life.
State Earnings Related Pension Scheme (SERPS)	This is the extra earnings part of the state pension that employed people could earn up to 5 April 2002. LGPS members were contracted out of SERPS, and most paid lower national insurance contributions as a result. From 6 April 2002, the State Second Pension (S2P) replaced SERPS.
Statutory scheme	A scheme (such as the LGPS) established by Acts of Parliament.
Taskforce on Climate Related Financial Disclosures (TCFD)	The TCFD was set up to develop voluntary, consistent, climate-related financial risk disclosures to guide companies in providing information to investors, lenders, insurers, and other stakeholders.
Stock lending	This is loaning a stock, derivative or other security to an investor or firm. It requires the borrower to put up collateral (cash, security, or a letter of credit). When loaning stock, the title and the ownership transfer to the borrower and title returns at the end of the loan period.
Transfer value	The value of either: a member's benefits paid to an alternative pension scheme on leaving the LGPS (as an alternative to deferred benefits or a refund of contributions); or a member's benefits paid by a previous employer into the LGPS upon joining the scheme.

Term	Definition
UK Stewardship Code	A code first published by the Financial Reporting Council in 2010 to enhance the quality of engagement between asset managers and companies in the UK. Its principal aim is to make asset managers more active and engaged in corporate governance matters in the interests of their beneficiaries. The Code was revised in 2020.
Unrealised gains/losses	The increase or decrease in the market value of investments held by the fund since the date of their purchase.