

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Pension Fund Committee

Date: 23 July 2024

Subject: Draft Pension Fund Statement of Accounts

Report author: Siân Cogley, Pension Fund Manager

Responsible Director: Phil Triggs, Tri-Borough Director of Treasury and Pensions

SUMMARY

This report presents the draft Pension Fund Statement of Accounts for the year ended 31 March 2024.

RECOMMENDATIONS

1. That the Pension Fund Committee note the 2023/24 draft Statement of Accounts.

Wards Affected: None

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	Ensuring good governance for the Pension Fund should ultimately lead to better financial performance in the long run for the Council and the council taxpayer.

Financial Impact

None

Legal Implications

None

DETAILED ANALYSIS

Background

1. The draft Pension Fund Statement of Accounts 2023/24 provides the Pension Fund Committee with an opportunity to review and comment on any matters pertaining to the financial statements.
2. The Pension Fund net assets increased by £87m over the year. The increase was driven by an enhanced performance across the Fund's investment portfolio, greater than in the previous year.
3. Investment management expenses increased from £7.0m to £9.2m. This is driven mainly by the following factors:
 - a. Due to more favourable performance in 2023/24 than 2022/23, more managers hit their threshold for performance related fees.
 - b. Fees from managers are calculated from the NAV, a higher NAV results in increased fees.
 - c. The fund made four new investments, and topped up an investment in 2023/24: more investments redeemed to fund these new investments resulted in higher transaction fees than in the prior year.

LIST OF APPENDICES

Appendix 1: draft 2023/24 LBHF Pension Fund Accounts