

London Borough of Hammersmith and Fulham Fund

Pension Fund Business Plan Outturn 2024/25

Background

At the Pension Fund Committee meeting on the 20th February 2024, the Committee approved a business plan for 2024/25, identifying the key issues affecting the Pension Fund over the medium term and a timetable of activities needed to help achieve the strategic objectives. The business plan listed the investment process and pension administration tasks to be carried out during 2023/24 and 2024/25 and the target date when these should be achieved.

The 2022-2025 business plan is shown as Annex 1.

Outturn 2024/25

This report sets out the outturn results of the pension fund business plan implementation, setting out each individual action required (in line with the original approved business plan shown as Annex 1) and the commentary where necessary of the outcome results of the year's work of the Pension Fund investment and administration staff.

2024/25 Budget Outturn

	Company Name (If Applicable)	Budget	Outturn	Var
		£000	£'000	£'000
Contract Fees		511	569	(58)
Other costs		5		5
Administration		516	569	(53)
Employees		444	459	(15)
Investment advisory services	Isio	146	72	74
Governance and compliance		160	157	3
External audit	Grant Thornton	104	151	(47)
Actuarial fees	Hymans Robertson	95	15	80
Governance and Oversight		949	855	94
Management, Performance and Transaction fees				
	Legal & General	405	489	(84)
	LCIV Absolute Return	2,672	1,376	1,296
	Standard Life Property	253	259	(6)
	Oak Hill Advisors	524	876	(352)
	Partners Group	601	635	(34)
	Aviva	136	0	136
	Abrdn MSPC	136	144	(8)
	Morgan Stanley	927	945	(18)
	Man Group	392	168	224
	Alpha Real Capital	211	524	(313)
	Darwin Alternatives	219	184	35
	Quinbrook Renewable Infrastructure	679	692	(13)
	Allspring Global	851	236	615
	LCIV Insight B&M Bonds (Short Duration)	139	116	23
	LCIV Insight B&M Bonds (Long Duration)	139	24	115
	Northern Trust	136	72	64
	LCIV DFC & Service Charge	115	98	18
Investment Management		8,535	6,836	1,699
Total Fees		10,000	8,260	1,740

Outturn: Administration and Communication

Action 1: Annual review and publication of the Pensions Administration strategy

Outcome: **Achieved**

Comments: The strategy was approved by the Committee in 15 November 2022.
Next review is scheduled for December 2025.

Action 2: Compliance and reporting of key service performance indicators (KPIs)

Outcome: **Achieved**

Comments: These are reported quarterly at Committee meetings.

Action 3: Review and publication of communication policy

Outcome: **Achieved**

Comments: The strategy was approved in the 15 November 2023.

Action 4: Annual report and accounts published on website.

Outcome: **Achieved**

Comments: The 2024-25 account and annual reports were approved at the audit committee of the 27/10/25 and have since been published online.

Action 5: Freedom of information (FOI) requests responded to within statutory deadline.

Outcome: **Partially Achieved**

Comments: All requests have been responded to, although some have fallen outside of the statutory deadline due to the complexity of the request and the dependence on external parties to provide information. Where this occurred, it was never significantly delayed.

Outturn: Actuarial / Funding

Action 1: Provide employers with IAS19/FRS102 funding statements in line with employer year end.

Outcome: **Achieved**

Comments: We are limited in how quickly we can produce these reports as we need to first finalise the investment values and payment figures. However, we have still been able to provide our employers with the reports in a timely manner suitable to them.

Action 2: Funding level to be reported to Pension Fund Committee quarterly.

Outcome: **Achieved**

Comments: This is provided as part of the quarterly update and reported at every opportunity.

Action 3: Monitor and reconcile employer contributions remittances with the pension fund bank statement.

Outcome: **Achieved**

Comments: This is carried out on a monthly basis and always achieved.

Action 4: Member training to cover actuarial funding issues.

Outcome: **Achieved**

Comments: Hymans Robertson delivered training to all Tri-Borough boards and committees on 31/01/22. There was also a training session presented by Hymans Roberston and hosted by Tri-Borough officers on 30/10/2025. There will be a refresher of key points when the results of the for the 2025 Valuation are presented.

Action 5: Funding strategy reviewed and updated.

Outcome: **Achieved**

Comments: The strategy is subject to constant review, with new asset classes introduced. It was formally reviewed following the post triennial valuation targets in the meeting of the 28 February 2023 and will be formally reviewed again after the 2025 valuation.

Outturn: Pension Fund Committee

Action 1: Train and develop all members to enable them to perform their duties effectively.

Outcome: **Achieved**

Comments: The latest officers hosted training event took place on the 30 October 2025: these sessions were recorded to allow members to refer back to them later.

Action 2: Committee papers to be issued to members five working days prior to meeting, and minutes to be circulated in a timely manner.

Outcome: **Achieved**

Comments: In line with statutory duties, the Council publishes papers for all public committees on its website at least five clear working days in advance of the meetings. Minutes are circulated to members and officers following the meeting and published on the Council's website.

Action 3: Committee meetings should include the investment advisor as appropriate.

Outcome: **Achieved**

Comments: All Committee meetings included our investment advisor. A new investment advisor has been appointed in January 2025.

Action 4: Manager monitoring reports to be presented to Pension Fund Committee members.

Outcome: **Achieved**

Comments: These are included as part of the quarterly update pack.

Action 5: Pension Fund Committee to receive quarterly investment monitoring reports.

Outcome: **Achieved**

Comments: These are included as part of the quarterly update pack.

Action 6: Review and implement asset allocation, rebalancing where necessary.

Outcome: **Partially Achieved**

Comments: Investment allocations and variances to investment allocation policy are reported quarterly to the Pension Fund Committee. The Pension Fund does not have a specific rebalancing policy so rebalancing cannot take place without specific Committee approval.

Action 7: Review, implement and publish the Investment Strategy Statement.

Outcome: **Achieved**

Comments: The Investment strategy statement has been reviewed and published following the completion of the 2022 triennial valuation. It will be updated following the completion of the 2025 triennial valuation.

Action 8: Respond to all government consultations and report to the Pension Fund Committee as necessary.

Outcome: **Achieved**

Comments: All consultations were answered and reported.

Outturn: Local Pension Board

Action 1: Provide Pensions Board members with access to training offered to Pension Fund Committee members.

Outcome: **Achieved**

Training arranged by officers is available to both Board and Committee members and is recorded.

Action 2: Comply with any requests from the Pensions Board with regard to any aspect of the Scheme Manager function.

Outcome: **Achieved**

Comments: All requests were followed up.

Action 3: Pass on recommendations made by the Pension Fund Committee to the Pensions Board within a reasonable period of time.

Outcome: **Achieved**

Comments: All recommendations were passed on.

Outturn: Risk Management

Action 1: Monitor Pension Fund expenses for the year against the agreed forecast.

Outcome: **Achieved**

Comments: Breakdowns of outturn against budget is provided above.

Action 2: Produce an Annual Statement of Accounts and achieve an unqualified audit.

Outcome: **Achieved**

Comments: The 2024-25 account and annual reports have been published online.

Action 3: Ensure ongoing risk assessments of the management of the Fund.

Outcome: **Achieved**

Comments: these are included as part of the quarterly update pack and are reviewed by committee and board on that basis.

Action 4: Review MiFID documentation to ensure the Fund retains its professional investor status.

Outcome: **Achieved**

Comments: Documentation is updated as and when required.

Action 5: Obtain independent internal controls assurance reports for investment managers and fund global custodian.

Outcome: **Achieved**

Comments: This is carried out and compiled as part of the year-end close down process.

Action 6: Approve the Risk Register

Outcome: **Achieved**

Comments: This is carried out as part of the quarterly review and approved each quarter.

Outturn: Further Information

Action 1: Review the performance of the Fund's investment advisor against its stated aims and objectives.

Outcome: **Achieved**

Comments: This was taken to Committee on 20 February 2024 and will be reviewed again when the next new business plan is presented.