

Pension Fund Accounts

FUND ACCOUNT

2022/23		Notes	2023/24
£'000			£'000
	Dealings with members, employers and others directly involved in the fund		
(31,645)	Contributions from Employers	Note 6	(35,269)
(13,060)	Contributions from Members	Note 6	(14,700)
(7,321)	Individual Transfers in from Other Pension Funds		(12,977)
(52,026)			(62,946)
	Benefits		
51,752	Pensions	Note 7	57,304
8,019	Commutation, Lump Sum Retirement and Death Benefits	Note 7	9,693
289	Payments in respect of tax		334
	Payments to and on Account of Leavers		
9,505	Individual Transfers Out to Other Pension Funds		10,101
156	Refunds to Members Leaving Service		308
69,721			77,740

Fund Account (continued)

2022/23		Notes	2023/24
£'000			£'000
17,695	Net (Additions)/Withdrawals from Dealings with Members		14,794
13,064	Management Expenses	Note 8	22,626
30,759	Net (additions)/withdrawals including management expenses		37,420
	Returns on Investments		
(19,074)	Investment Income	Note 9	(28,019)
(381)	Other Income	-	(72)
(19,455)			(28,091)
70,478	(Profit) and loss on disposal of investments and changes in the market value of investments	Note 11	(228,878)
51,023	Net return on investments		(256,969)
81,782	Net (Increase)/Decrease in the Net Assets Available for Benefits During the Year		(219,549)
(1,876,136)	Opening Net Assets of the Scheme		(1,794,354)
(1,794,354)	Closing Net Assets of the Scheme		(2,013,903)

Fund Account (continued)

NET ASSETS STATEMENT FOR THE YEAR ENDED 31 MARCH 2024*

2022/23		Notes	2023/24
£'000			£'000
	Investment assets		
150	Equities	11	150
1,770,354	Pooled Investment Vehicles	11	1,966,455
	Other Investment Balances:		
53	Income Due	11	157
19,465	Cash Deposits	11	40,708
1,790,022	Total Investment Assets		2,007,470
-	Investment Liabilities		-
1,790,022	Net Value of Investment Assets	10	2,007,470
5,211	Current Assets	18	7,779
(879)	Current Liabilities	19	(1,346)
1,794,354	Net Assets of the Fund Available to Fund Benefits at the Period End		2,013,903

* 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 disclosed in Note 17.

Note 1 Description of the Westminster City Council Pension Fund

a) General

The Pension Fund (the Fund) is part of the Local Government Pension Scheme (LGPS) and is administered by the Westminster City Council. It is a contributory defined benefits scheme established in accordance with statute, which provides for the payment of benefits to employees and former employees of the Westminster City Council and the admitted and scheduled bodies in the Fund. These benefits include retirement pensions and early payment of benefits on medical grounds and payment of death benefits where death occurs either in service or in retirement. The benefits payable in respect of service from 1st April 2014 are based on career average revalued earnings and the number of years of eligible service. Pensions are increased each year in line with the Consumer Price Index.

The Fund is governed by the Public Service Pensions Act 2013 and the following secondary legislation:

- The LGPS Regulations 2013 (as amended)
- The LGPS (transitional Provisions, Savings and Amendment) Regulations 2014 (as amended) and
- The LGPS (Management and Investment of Funds) Regulations 2016.

b) Funding

The Fund is financed by contributions from employees, the Council, the admitted and scheduled bodies and from interest and dividends on the Fund's investments. Contributions are made by active members of the Fund in accordance with the LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2024. Employers also pay contributions into the Fund based on triennial funding valuations. The 31 March 2022 valuation covers the three financial years to 31 March 2026.

Currently employer contribution rates range from 15.0% to 32.4% of pensionable pay, as per the 2022 valuation.

Note 1 Description of the Westminster City Council Pension Fund (continued)

c) Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service, summarised in the following table:

	Service pre 1 April 2008	Service post 31 March 2008
Pension	Each year worked is worth 1/80 x final pensionable pay	Each year worked is worth 1/60 x final pensionable pay
Lump Sum	Automatic lump sum of 3 x pension. In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

From 1 April 2014, the scheme became a career average revalued earnings (CARE) scheme, whereby members accrue benefits based on their pensionable pay in that year at an accrual rate of 1/49th. Accrued pension is updated annually in line with the Consumer Prices Index.

There are a range of other benefits provided under the scheme including early retirement, disability pensions, and death benefits.

Westminster Pension Fund provides an additional voluntary contributions (AVC) scheme for its members, the assets of which are invested separately from the pension fund. The Fund has appointed Aegon and Utmost Life and Pensions as its AVC providers. AVCs are paid to the AVC providers by employers and specifically for providing additional benefits for individual contributors. Each AVC contributor receives an annual statement showing the amount held in their account and the movements in the year.

d) Governance

The Council has delegated management of the fund to the Pension Fund Committee (the 'Committee') who decide on the investment policy most suitable to meet the liabilities of the Fund and have the ultimate responsibility for the investment policy. The Committee is made up of four Members of the Council each of whom has voting rights.

The Committee reports to the Full Council and has full delegated authority to make investment decisions. The Committee considers views from Council Officers including the Tri-Borough Director of Pensions and Treasury, and obtains, as necessary, advice from the Fund's appointed investment advisors, fund managers and actuary.

In line with the provisions of the Public Service Pensions Act 2013 the Council has set up a Local Pension Board to oversee the governance arrangements of the Pension Fund. The Board meets quarterly and has its own Terms of Reference. Board members are independent of the Pension Fund Committee.

The Section 151 Officer is responsible for the preparation of the Pension Fund Statement of Accounts. The Audit and Performance Committee is responsible for approving the financial statements for publishing.

Note 1 Description of the Westminster City Council Pension Fund (continued)

e) Investment Principles

In accordance with the LGPS (Management and Investment of Funds) Regulations 2016 the Committee approved an Investment Strategy Statement on 19 October 2023 (available on the Council's website). The Statement shows the Authority's compliance with the Myners principles of investment management.

The Committee has delegated the management of the Fund's investments to external investment managers (see Note 10) appointed in accordance with regulations, and whose activities are specified in detailed investment management agreements and monitored on a quarterly basis.

f) Membership

Membership of the LGPS is voluntary and employees are free to choose whether to join the scheme, remain in the scheme or make their own personal arrangements outside the scheme.

Organisations participating in the Westminster City Council Pension Fund include:

- Scheduled bodies, which are local authorities and similar bodies whose staff are automatically entitled to be members of the Fund.
- Admitted bodies, which are other organisations that participate in the Fund under an admission agreement between the Fund and the relevant organisation. Admitted bodies include voluntary, charitable and similar bodies or private contractors undertaking a local authority function following outsourcing to the private sector.

The following table summarises the membership numbers of the scheme:

31 March 2023		31 March 2024	
29	Number of employers with active member		29
4,853	Active members		4,899
6,661	Pensioners receiving benefit		6,832
7,111	Deferred Pensioners		7,267
18,625			18,998

Note 2 Basis of Preparation of Financial Statements

The Statement of Accounts summarise the Fund's transactions for 2023/24 and its position at year end as at 31 March 2024. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) which is based upon International Financial Reporting Standards (IFRS) as amended for the UK public sector.

The accounts summarise the transactions of the Fund and report on the net assets available to pay pension benefits.

The accounts do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the Net Asset Statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The Authority has opted to disclose this information in Note 17.

The Pension Fund Accounts have been prepared on a going concern basis, with the assumption that the functions of the authority will continue in operational existence for the foreseeable future. The Westminster City Council Pension Fund remains a statutory open scheme, with a strong covenant from the active employers and is therefore able to take a long term outlook when considering the general investment and funding implications of external events.

Note 3 Summary of Significant Accounting Policies

FUND ACCOUNT – REVENUE

RECOGNITION

a) Contribution Income

Normal contributions, both from the members and from the employer, are accounted for on an accruals basis. The employer contribution rate is set at a percentage rate recommended by the actuary in the payroll period to which they relate. Employee contribution rates are based on employee salaries, set annually in accordance with LGPS regulations.

Employer deficit funding contributions are accounted for on the due dates on which they are due under the schedule of contributions set by the actuary or on receipt if earlier than the due date.

Employer's augmentation and pension strain contributions are accounted for in the period in which the liability arises. Any amount due in year but unpaid is classed as a current financial asset.

b) Transfers to and from Other Schemes

Transfer values represent the amounts received and paid during the year for members who have either joined or left the Fund during the financial year and are calculated in accordance with the LGPS Regulations. Individual transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged. Bulk (group) transfers are accounted for on an accruals basis in accordance with the terms of the transfer agreement.

c) Investment Income

Investment income is reported gross of withholding taxes which are accrued in line with the associated investment income. Investment income arising from the underlying investments of the Pooled Investment Vehicles is either reinvested within the Pooled Investment Vehicles and reflected in the unit price or taken as a cash dividend to support the Fund's outgoing cash flow requirements.

Interest income is recognised in the fund account as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination.

Distributions from pooled funds are recognised at the date of issue. Any amount not received by the end of the reporting period is recognised as a current financial asset in the net asset statement.

Where the amount of an income distribution has not been received from an investment manager by the balance sheet date, an estimate based upon the market value of their mandate at the end of the year is used.

Changes in the net market value of investments are recognised as income and comprise all realised and unrealised profits and losses during the year.

FUND ACCOUNT – EXPENSE ITEMS

d) Benefits Payable

Pensions and lump-sum benefits payable include all amounts known to be due as at the end of the financial year. Lump sums are accounted for in the period in which the member becomes a pensioner. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities.

e) Taxation

The Fund is an exempt approved fund under section 1(1) of Schedule 36 of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. As the Council is the administering authority for the Fund, VAT input tax is recoverable on all Fund activities including expenditure on investment expenses. Where tax can be reclaimed, investment income in the accounts is shown gross of UK tax. Income from overseas investments suffers withholding tax in the country of origin, unless exemption is permitted. Irrecoverable tax is accounted for as a fund expense as it arises.

f) Voluntary Scheme Pays (VSP), Mandatory Scheme Pays (MSP) and lifetime allowance

Members are entitled to request the Pension Fund pays their tax liabilities due in respect of annual allowance and lifetime allowance in exchange for a reduction in pension.

Where the Fund pays member tax liabilities direct to HMRC it is treated as an expense in the year in which the payment occurs.

Note 3 Summary of Significant Accounting Policies (continued)

g) Management Expenses

Pension fund management expenses are accounted for in accordance with the CIPFA guidance *Accounting for Local Government Pension Scheme Management Costs 2016*.

All administrative expenses are accounted for on an accruals basis. All staff costs of the pension administration team are charged direct to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

Oversight and governance expenses are accounted for on an accruals basis. All staff costs associated with governance and oversight are charged to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

The cost of obtaining investment advice from the external advisor is included in oversight and governance costs.

All investment management expenses are accounted for on an accruals basis. The Committee has appointed external investment managers to manage the investments of the Fund. Managers are paid a fee based on the market value of the investments they manage and/or a fee based on performance.

Where an investment manager's fee note has not been received by the balance sheet date, an estimate based upon the market value of the mandate as at the end of the year is used for inclusion in the fund account.

NET ASSETS STATEMENT

h) Financial Assets

Financial assets are included in the net assets statement on a fair value basis as at the reporting date. A financial asset is recognised in the net asset statement on the date the Fund becomes party to the contractual acquisition of the asset. From this date any gains or losses arising from changes in the value of the asset are recognised in the Fund account.

The values of investments as shown in the net asset statement have been determined at fair value in accordance with the requirements of the Code and IFRS 13 (see Note 14).

i) Derivatives

The Fund uses derivative financial instruments indirectly to manage its exposure to specific risks arising from its investment activities. The Fund does not hold derivatives for speculative purposes.

j) Foreign Currency Transactions

Dividends, interest and purchases and sales of investments in foreign currencies have been accounted for at the spot market rates at the date of the transaction. End of year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, market values of overseas investments and purchases and sales outstanding at the end of the reporting period.

k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and deposits with financial institutions which are repayable on demand without penalty.

l) Financial Liabilities

The Fund recognises financial liabilities at fair value as at the reporting date. A financial liability is recognised in the net assets statement on the date the Fund becomes party to the liability. From this date any gains or losses arising from changes in the fair value of the liability are recognised by the Fund.

m) Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits should be disclosed and based on the requirements of IAS 19 Post-Employment Benefits and relevant actuarial standards. As permitted under the Code, the financial statements include a note disclosing the actuarial present value of retirement benefits (see Note 17).

n) Additional Voluntary Contributions

AVCs are not included in the accounts in accordance with Regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 but are disclosed as a note only (Note 20).

o) Recharges from the General Fund

The LGPS (Management and Investment of Funds) Regulations 2016 permit the Council to charge administration costs to the Fund. A proportion of the relevant Council costs have been charged to the Fund on the basis of actual time spent on Pension Fund business. Costs incurred in the administration and the oversight and governance of the Fund are set out separately in Note 21.

Note 4 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 3 above, the Council has had to make certain critical judgements about complex transactions or those involving uncertainty about future events.

There were no such critical judgements made during 2023/24.

Note 5 Made About the Future and Other Major Sources of Uncertainty

Preparing financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year-end and the amounts reported for income and expenditure during the year. 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.

Item	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rates used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the fund with expert advice about the assumptions to be applied.	The effects on the net pension liability of changes in assumptions can be measured. For instance, a 0.1% decrease in the discount rate assumption would result in an increase in the pension liability of £30m. A 0.1% increase in assumed earnings would increase the value of liabilities by approximately £1m and a year increase in life expectancy would increase the liability by about £69m.
Infrastructure - Pantheon (Note 13a)	Valuation based on latest available fair value provided by the manager, adjusted for cash movements subsequent to that date as required.	The inputs used by the General Partner during valuation include, but are not limited to, prices and other relevant information generated by the market transactions, type of security, size of the position, purchase price, purchases of the same or similar securities by other investors, marketability, foreign exchange rates, degree of liquidity, restrictions on the disposition, latest round of financing data, completed or pending third-party transactions in the underlying investment or comparable issuers, current financial position and operating results among other factors. Having consulted with the investment manager, the fund has determined that the valuation methods described above are likely to be accurate to within the following ranges +/-10%.
Renewable Infrastructure - Quinbrook (Note 13a)	Valuation based on latest available fair value provided by the manager, adjusted for cash movements subsequent to that date as required.	The valuation of the fund is estimated to be within a +16.6%/- 13.8% flex range based on the actual valuation range calculated. The % flex will be an implied rate based on the actual valuation range calculated, which in turn will be based on a sensitivity analysis for the current holdings.

Item	Uncertainties	Effect if actual results differ from assumptions
Renewable Infrastructure - Macquarie (Note 13a)	Valuation based on latest available fair value provided by the manager, adjusted for cash movements subsequent to that date as required.	The valuation of the fund is estimated to be within a +/- 10% range and with a lower boundary on the downside i.e. not capturing any potential long-term upsides such as repowering or asset life extensions.
Affordable Housing - Man Group (Note 13a)	Valuation based on independent valuations for freehold and leasehold properties less any debt within the individual property fund plus/minus other net assets.	The valuation of the fund is estimated to be within a +9.4%/-8.7% range. These ranges relate specifically to the valuation of completed sites. They are based on stress tests reflecting potential changes in market environment, particularly changes in house prices and inflation/interest rates.
Private Debt - CVC Credit (Note 13a)	Valuation based on latest available fair value provided by the manager, adjusted for cash movements subsequent to that date.	The fund uses Lincoln spreads to value the investments. Having consulted with the investment manager, the fund has determined that the valuation methods described above are likely to be accurate to within the following ranges +/-11.4%.
Affordable Housing - London CIV (Note 13a)	Valuation based on independent valuations for freehold and leasehold properties less any debt within the individual property fund plus/minus other net assets.	The accounting treatment of fund means that the sensitivity of this valuation is geared by the 34 times. This means that a movement of +/- 1.5% of the NAV will make this valuation change by +/- 50%.

PENSION FUND LIABILITY

The Pension Fund liability is calculated triennially by the appointed actuary with annual updates in the intervening years. The methodology used in the intervening years follows generally agreed guidelines and is in accordance with IAS 19. These assumptions are summarised in Note 16. The estimates are sensitive to changes in the underlying assumptions underpinning the valuations.

Note 6 Contributions Receivable

Employees' contributions are calculated on a sliding scale based on a percentage of their gross pay. The Council, scheduled and admitted bodies are required to make contributions determined by the Fund's actuary to maintain the solvency of the Fund. The table below shows a breakdown of the total amount of employers' and employees' contributions.

BY AUTHORITY

2022/23		2023/24
£'000		£'000
(34,505)	Administering Authority	(36,998)
(4,611)	Scheduled bodies	(5,215)
(5,589)	Admitted bodies	(7,756)
(44,705)	Total	(49,969)

BY TYPE

2022/23		2023/24
£'000		£'000
(13,060)	Employees' normal contributions	(14,700)
	Employers' contributions:	
(30,070)	Normal contributions	(34,656)
(32)	Deficit recovery contributions	(55)
(1,543)	Augmentation contributions	(558)
(44,705)	Total	(49,969)

Note 7 Benefits Payable

The table below shows a breakdown of the total amount of benefits payable by category.

BY TYPE

2022/23		2023/24
£'000		£'000
51,752	Pensions	57,304
6,675	Commutation and lump sum retirement benefits	8,908
1,344	Lump sum death benefits	785
59,771	Total	66,997

BY AUTHORITY

2022/23		2023/24
£'000		£'000
46,243	Administering Authority	51,580
2,745	Scheduled Bodies	3,080
10,783	Admitted Bodies	12,337
59,771	Total	66,997

Note 8 Management Expenses

The table below shows a breakdown of the management expenses incurred during the year.

2022/23		2023/24	
£'000		£'000	
776	Administration Expenses	943	
388	Oversight and Governance	428	
11,900	Investment Management Expenses	21,255	
13,064	Total	22,626	

Investment management expenses are further analysed below in line with the CIPFA Guidance on Accounting for Management Costs in the LGPS.

2022/23		2023/24	
£'000		£'000	
8,458	Management fees	9,816	
54	Custody fees	38	
3,388	Transaction costs	5,767	
-	Interest Payable on equalisation	5,634	
11,900	Total	21,255	

Note 9 Investment Income

The table below shows a breakdown of the investment income for the year:

2022/23		2023/24
£'000		£'000
15,354	Pooled investments - unit trusts and other managed funds	17,034
(89)	Pooled property investments	-
3,552	Alternatives Income	9,561
257	Interest and cash deposits	1,424
19,074	Total before taxes	28,019

Note 10 Investment Management Arrangements

As at 31 March 2024, the investment portfolio is managed by sixteen underlying external managers:

- The UK property portfolio is managed by Abrdn;
- Private debt is managed by CVC Credit;
- Fixed income mandates are managed by CQS and PIMCO (Multi Asset Credit, via the London CIV), Insight (Bonds) and Northern Trust (short bonds);
- Multi asset is managed by Ruffer (absolute return, via the London CIV);
- Affordable Housing is managed by Man Group and CBRE & Octopus (via the London CIV);
- Alternatives are managed by Pantheon (Infrastructure), Macquarie (Renewable Infrastructure) and Quinbrook (Renewable Infrastructure);
- Equity portfolios are split between Baillie Gifford (active global, managed by the London CIV), Morgan Stanley (active global, managed by the London CIV) and LGIM (passive global).

All managers have discretion to buy and sell investments within the constraints set by the Committee and their respective Investment Management Agreements. Each manager has been appointed with clear strategic benchmarks which place maximum accountability for performance against that benchmark.

The Fund became a shareholder in the London LGPS CIV Ltd (the organisation set up to run pooled LGPS investments in London) in 2015 and holds £150,000 of regulatory capital in the form of unlisted UK equity shares.

Northern Trust acts as the Fund's global custodian. It is

responsible for safe custody and settlement of all investment transactions and collection of income. The bank account for the Fund is held with Lloyds Bank.

The market value and proportion of investments managed by each fund manager at 31 March 2024 was as follows:

31 March 2023 Market Value	%	Fund Manager	Mandate	31 March 2024 Market Value	%
£'000				£'000	
Investments managed by the London CIV asset pool:					
150	0.0%	London CIV	Share Capital	150	0.0%
150	0.0%	UK Equity		150	0.0%
377,909	21.1%	London CIV - Baillie Gifford	Global Equity (Active)	385,318	19.2%
369,877	20.7%	London CIV - Morgan Stanley	Global Equity (Active)	381,032	19.0%
29	0.0%	LGIM Passive	World Equity (Passive)	28	0.0%
408,239	22.8%	LGIM Future World	World Equity (Passive)	476,540	23.7%
1,156,054	64.6%	Global Equity		1,242,918	61.9%
86,715	4.8%	London CIV – CQS & PIMCO	Multi Asset Credit	90,024	4.5%
86,715	4.8%	Fixed Income		90,024	4.5%
37,123	2.1%	London CIV - Ruffer	Absolute Return	34,894	1.7%
37,123	2.1%	Multi Asset		34,894	1.7%
-	-	London CIV – CBRE & Octopus	Property	218	0.0%
-	0.0%	Affordable Housing		218	0.0%
1,280,042	71.5%	Total pooled	Sub-Total	1,368,204	68.1%
Investments managed outside of the London CIV asset pool:					
25,412	1.4%	Northern Trust Short ESG Fund	Bonds	511	0.1%
154,786	8.6%	Insight Buy and Maintain Bond Fund	Bonds	134,487	6.7%
180,198	10.0%	Bonds		134,998	6.8%

Note 10 Investment Management Arrangements (continued)

31 March 2023 Market Value	%	Fund Manager	Mandate	31 March 2024 Market Value	%
£'000				£'000	
78,633	4.4%	Abrdn Long Lease Property	Property	67,972	3.4%
78,633	4.4%	Property		67,972	3.4%
37,951	2.1%	Man Group Community Housing Fund	Affordable Housing	39,405	2.0%
37,951	2.1%	Affordable Housing		39,405	2.0%
63,717	3.6%	Pantheon Global Infrastructure	Infrastructure	69,463	3.5%
28,370	1.6%	Macquarie GIG Renewable Energy	Infrastructure	43,095	2.1%
56,922	3.2%	Quinbrook Renewables Impact Fund	Infrastructure	152,509	7.6%
149,009	8.4%	Infrastructure		265,067	13.2%
44,700	2.5%	CVC Credit Direct Lending Fund	Private Debt	90,987	4.5%
44,700	2.5%	Private Debt		90,987	4.5%
490,491	27.4%	Total outside pool	Sub-total	598,429	29.9%
19,489	1.1%	Cash deposits		40,837	2.0%
1,790,022	100%	Total investments at 31 March		2,007,470	100%

Note 11 Reconciliation in Movement in Investments

2022/23	Market value 1 April 2022	Purchases during the year	Sales during the year	Change in market value during the year	Market value 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Private Equity ¹	150	-	-	-	150
Pooled investments ²	1,661,610	55,808	(142,373)	(77,018)	1,498,027
UK property unit trust ³	103,750	111	(3,368)	(21,861)	78,632
Alternatives ⁴	76,920	113,494	(24,809)	28,090	193,695
Total	1,842,430	169,413	(170,550)	(70,789)	1,770,504
Cash deposits	15,816			348	19,465
Amounts receivable for sales of investments	-			-	-
Investment income due	116			-	53
Spot FX contracts	-			(37)	-
Amounts payable for purchases of investments	-			-	-
Net investment assets	1,858,362			(70,478)	1,790,022

¹ Includes London CIV Share Capital

² Includes equities, multi asset, absolute return, affordable housing and bonds

³ Includes the long lease property fund

⁴ Includes infrastructure and private debt

Note 11 Reconciliation in Movement in Investments continued

2023/24	Market value 1 April 2023	Purchases during the year	Sales during the year	Change in market value during the year	Market value 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Private Equity ⁵	150	-	-	-	150
Pooled investments ⁶	1,498,027	3,996	(178,938)	219,354	1,542,439
UK property unit trust ⁷	78,632	67	(4,296)	(6,433)	67,970
Alternatives ⁸	193,695	194,409	(48,243)	16,185	356,046
Total	1,770,504	198,472	(231,477)	229,106	1,966,605
Cash deposits	19,465			(207)	40,708
Amounts receivable for sales of investments	-			-	-
Investment income due	53			-	157
Spot FX contracts	-			(21)	-
Amounts payable for purchases of investments	-			-	-
Net investment assets	1,790,022			228,878	2,007,470

⁵ Includes share capital

⁶ Includes equities, multi asset, absolute return, affordable housing and bonds

⁷ Includes the long lease property fund

⁸ Includes infrastructure and private debt

Note 12 Investments Exceeding 5% of Net Assets

The table below shows the Fund's investments which exceed 5% of net assets. These are all pooled investment vehicles, which are made up of underlying investments, each of which represent substantially less than 5%.

31 March 2023			31 March 2024	
Market Value	Holding		Market Value	Holding
£'000	%		£'000	%
408,239	22.8%	LGIM Future World	476,540	23.7%
369,877	20.7%	London LGPS CIV Ltd - Morgan Stanley	381,032	19.0%
377,909	21.1%	London LGPS CIV Ltd - Baillie Gifford	385,318	19.2%
154,782	8.6%	Insight Buy and Maintain Bond Fund	134,487	6.7%
86,706	4.8%	London LGPS CIV Ltd – CQS & PIMCO*	-	-
78,633	4.4%	Abrdn Long Lease Property*	-	-
56,922	3.2%	Quinbrook Renewables Impact Fund	152,509	7.6%
1,533,068	85.6%	Total Top Holdings	1,529,886	76.2%
1,790,022		Total Value of Investments	2,007,470	

*Both the CQS & PIMCO Multi Asset Credit and Abrdn Long Lease Funds had less than 5% of net assets under management at 31 March 2024, therefore, have been excluded from the note for the year 2023/2024.

Note 13a Fair Value – Basis of Valuation

The basis of the valuation of each class of investment asset is set out below. There has been no change in the valuation techniques used during the year. All assets have been valued using fair value techniques based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

Description of asset	Valuation hierarchy 22/23	Valuation hierarchy 23/24	Basis of valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Pooled Investments - Equity Funds UK and Overseas Managed Funds	Level 2	Level 2	The NAV for each share class is calculated based on the market value of the underlying equity assets.	Evaluated price feeds	Not required
Quoted UK and Overseas Bonds	Level 2	Level 2	Fixed income securities are priced based on evaluated prices provided by independent pricing services.	Evaluated price feeds	Not required
Pooled Long Lease Property Fund	Level 2	Level 2	The Aberdeen Standard Long Lease Property Fund is priced on a Single Swinging Price.	Fund Manager In-house evaluation of market data	Not required
Pooled Investments – Multi Asset Credit	Level 2	Level 2	Fixed income securities are priced based on evaluated prices provided by independent pricing services.	Evaluated price feeds	Not required
Pooled Investments – Absolute Return	Level 2	Level 2	The NAV for each share class is calculated based on the market value of the underlying assets.	Evaluated price feeds	Not required
Pooled investments - Affordable Housing	Level 3	Level 3	Independent valuations for freehold and leasehold properties less any debt within the individual property fund plus/minus other net assets.	Freehold and leasehold properties valued on an open market basis. Valuation carried out in accordance with the principles laid down by the RICS Appraisal and Valuation Manual and independent audit review of the net assets within the individual property fund.	Upward valuations are only considered where there is validation of the investment objectives and such progress can be demonstrated. Downward valuations are enacted where the manager considers there is an impairment to the underlying investment.
Pooled Investments - Infrastructure	Level 3	Level 3	Latest available fair value provided by the manager, adjusted for cash movements subsequent to that date as required.	Manager valuation statements are prepared in accordance with ECVA guidelines.	Upward valuations are only considered when there is validation of the investment objectives and such progress can be demonstrated.
Pooled Investments - Private debt	Level 3	Level 3	Latest available fair value provided by the manager, adjusted for cash movements subsequent to that date.	Credit ratings and default history within the pool.	Valuations could be affected by changes to expected cashflows or default in the underlying loans.

Note 13a Fair Value – Basis of Valuation (continued)

SENSITIVITY OF ASSETS VALUED AT LEVEL 3

Having analysed historical data and current market trends, and consulted with independent investment advisors, the fund has determined that the valuation methods described above are likely to be accurate to within the following ranges, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2024.

Description of asset	Assessed Valuation Range (+/-)	Value at 31 March 2024	Value on increase	Value on decrease
		£000	£000	£000
Pantheon - Infrastructure (a)	10.0%	69,458	76,404	62,512
Quinbrook - Renewable Infrastructure (b)	+16.6%/-13.8%	152,509	177,825	131,462
Macquarie - Renewable Infrastructure (c)	10.0%	43,094	47,404	38,785
Man Group - Affordable Housing (d)	+9.4%/-8.7%	39,405	43,109	35,976
CVC Credit – Private Debt (e)	11.4%	90,984	101,356	80,612
London CIV – UK Housing (f)	50%	217	325	108
Total		395,667	446,423	349,455

- The inputs used by the General Partner during valuation include, but are not limited to, prices and other relevant information generated by the market transactions, type of security, size of the position, purchase price, purchases of the same or similar securities by other investors, marketability, foreign exchange rates, degree of liquidity, restrictions on the disposition, latest round of financing data, completed or pending third-party transactions in the underlying investment or comparable issuers, current financial position and operating results among other factors.
- The valuation of the fund is estimated to be within a +16.6%/- 13.8% flex range based on the actual valuation range calculated. The % flex will be an implied rate based on the actual valuation range calculated, which in turn will be based on a sensitivity analysis for the current holdings.
- The valuation of the fund is estimated to be within a +/- 10% range and with a lower boundary on the downside i.e. not capturing any potential long-term upsides such as repowering or asset life extensions.
- The valuation of the fund is estimated to be within a +9.4%/-8.7% range. These ranges relate specifically to the valuation of completed sites. They are based on stress tests reflecting potential changes in market environment, particularly changes in house prices and inflation/interest rates.
- The fund uses Lincoln spreads to value the investments.
- The accounting treatment of fund means that the sensitivity of this valuation is geared by the 34 times. This means that a movement of +/- 1.5% of the NAV will make this valuation change by +/- 50%.

As at March 2023:

Description of asset	Assessed Valuation Range (+/-)	Value at 31 March 2023	Value on increase	Value on decrease
		£'000	£'000	£'000
Pantheon - Infrastructure (a)	+/-10.0%	63,705	70,075	57,334
Quinbrook - Renewable Infrastructure (b)	+24.6%/-20.6%	56,922	70,925	45,196
Macquarie - Renewable Infrastructure (c)	+/-10.0%	28,369	31,206	25,532
Man Group - Affordable Housing (d)	+9.5%/-8.8%	37,951	41,556	34,611
CVC Credit – Private Debt (e)	+/-11.2%	44,699	49,705	39,692
Total		231,646	263,467	202,365

- The inputs used by the General Partner during valuation include, but are not limited to, prices and other relevant information generated by the market transactions, type of security, size of the position, purchase price, purchases of the same or similar securities by other investors, marketability, foreign exchange rates, degree of liquidity, restrictions on the disposition, latest round of financing data, completed or pending third-party transactions in the underlying investment or comparable issuers, current financial position and operating results among other factors.
- The valuation of the fund is estimated to be within a +24.6%/- 20.6% flex range based on the actual valuation range calculated. The % flex will be an implied rate based on the actual valuation range calculated, which in turn will be based on a sensitivity analysis for the current holdings.
- The valuation of the fund is estimated to be within a +/- 10% range and with a lower boundary on the downside i.e. not capturing any potential long-term upsides such as repowering or asset life extensions.
- The valuation of the fund is estimated to be within a +9.5%/-8.8% range. These ranges relate specifically to the valuation of completed sites. They are based on stress tests reflecting potential changes in market environment, particularly changes in house prices and inflation/interest rates.
- The fund uses Lincoln spreads to value the investments. Following the banking turmoil, CVC liaised with Lincoln to confirm the continued relevance of the private credit spreads. Lincoln confirmed that they had not identified any impact on private credit spreads to date, and added that the movements in the public credit markets were less material than they would have anticipated.

Note 13b Valuation of Financial Instruments Carried at Fair Value

The valuation of financial instruments has been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level 1 – where fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities (quoted equities, quoted fixed securities, quoted index linked securities and unit trusts). Listed investments are shown at bid prices. The bid value is based on the market quotation of the relevant stock exchange.

Level 2 – where market prices are not available, for example, where an instrument is traded in a market that is not considered to be active or where valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data.

Level 3 – where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data. Such instruments would include infrastructure, which the Fund holds assets in, unquoted equity investments and hedge fund of funds, neither of which the Fund currently invests in.

The following table provides an analysis of the financial assets and liabilities of the Fund grouped into the level at which fair value is observable.

31 March 2023				31 March 2024		
Quoted Market Price Level 1	Using Observable Inputs Level 2	With Significant Unobservable Inputs Level 3		Quoted Market Price Level 1	Using Observable Inputs Level 2	With Significant Unobservable Inputs Level 3
£'000	£'000	£'000		£'000	£'000	£'000
			Financial Assets			
-	1,538,709	231,795	Financial assets at fair value through profit and loss	-	1,570,789	395,816
			Financial Liabilities			
-	-	-	Financial liabilities at fair value through profit and loss	-	-	-
-	1,538,709	231,795	Total	-	1,570,789	395,816

Note 13c Reconciliation of Fair Value Measurements Within Level 3

2023/24	Opening balance	Transfers into Level 3	Transfers out of Level 3	Purchases	Sales	Unrealised gains/losses	Realised gains/losses	Closing balance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CVC Credit - Private Debt	44,699	-	-	47,256	(6,659)	5,688	-	90,984
Share Capital	150	-	-	-	-	-	-	150
Pantheon - Infrastructure	63,705	-	-	969	(1,617)	6,049	352	69,458
Quinbrook - Renewable Infrastructure	56,922	-	-	131,947	(41,249)	4,889	-	152,509
Macquarie - Renewable Infrastructure	28,369	-	-	14,237	(1,046)	1,534	-	43,094
Man Group - Affordable Housing	37,951	-	-	3,083	(689)	(940)	-	39,405
London CIV - Affordable Housing	-	-	-	462	(274)	29	-	217
Total	231,796	-	-	197,954	(51,534)	17,249	352	395,817

2022/23	Opening balance	Transfers into Level 3	Transfers out of Level 3	Purchases	Sales	Unrealised gains/losses	Realised gains/losses	Closing balance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CVC Credit - Private Debt	-	-	-	46,825	(5,466)	3,340	-	44,699
Share Capital	150	-	-	-	-	-	-	150
Pantheon - Infrastructure	48,970	-	-	13,765	(9,200)	6,707	3,463	63,705
Quinbrook - Renewable Infrastructure	18,183	-	-	37,560	(10,298)	11,477	-	56,922
Macquarie - Renewable Infrastructure	9,767	-	-	15,344	(1,252)	4,510	-	28,369
Man Group - Affordable Housing	29,514	-	-	11,570	(6,475)	3,342	-	37,951
Total	106,584	-	-	125,064	(32,691)	29,376	3,463	231,796

Note 14a Classification of Financial Instruments

The following table shows the classification of the Fund's financial instruments.

31 March 2023			31 March 2024		
Fair value through profit and loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Fair value through profit and loss	Financial assets at amortised cost	Financial liabilities at amortised cost
£'000	£'000	£'000	£'000	£'000	£'000
<u>Financial Assets</u>					
Pooled funds - investment vehicles					
1,498,178			Pooled Funds	1,542,590	
78,631			UK Unit Trust - Property	67,970	
193,695			Infrastructure	356,045	
	774		Cash Balances (held directly by Fund)		3,384
	53		Other Investment Balances		157
	19,465		Cash Deposits		40,708
	1,015		Debtors*		713
1,770,504	21,307	-		1,966,605	-

Note 14a Classification of Financial Instruments (continued)

31 March 2023			31 March 2024		
Fair value through profit and loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Fair value through profit and loss	Financial assets at amortised cost	Financial liabilities at amortised cost
£'000	£'000	£'000	£'000	£'000	£'000
Financial Liabilities					
-	-	-	-	-	-
			Other Investment Balances		
-	-	(123)	Creditors	-	(490)
-	-	(123)	Total	-	(490)
1,770,504	21,307	(123)	Total	1,966,605	44,962
1,791,688			2,011,077		

*Please note 31 March 2023 debtors figure has been restated for consistency with 31 March 2024.

Note 14b Net Gains and Losses on Financial Instruments

This table summarises the net gains and losses on financial instruments classified by type of instrument.

31 March 2023		31 March 2024
£'000		£'000
Financial Assets		
(70,789)	Fair value through profit and loss	229,106
311	Financial assets at amortised cost	(228)
(70,478)		228,878
Financial Liabilities		
-	Financial liabilities at amortised cost	-
(70,478)	Total	228,878

The authority has not entered into any financial guarantees that are required to be accounted for as financial instruments.

Note 15 Nature and Extent of Risks Arising from Financial Instruments

RISK AND RISK MANAGEMENT

The Fund's primary long-term risk is that its assets will fall short of its liabilities (i.e. promised benefits payable to members). Therefore the aim of investment risk management is to minimise the risk of an overall reduction in the value of the Fund and to maximise the opportunity for gains across the whole fund portfolio. The Fund achieves this through asset diversification to reduce exposure to market and credit risk to an acceptable level. In addition, the Fund manages its liquidity risk to ensure there is sufficient liquidity to meet the Fund's forecast cash flows.

Responsibility for the Fund's risk-management strategy rests with the Committee. Risk management policies are established that aim to identify and analyse the investment risks faced by the Fund and these are regularly reviewed in the light of changing market and other conditions.

a) Market Risk

Market risk is the risk of loss emanating from general market fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The Fund is exposed to market risk across all its investment activities. In general, excessive volatility in market risk is managed through the diversification of the portfolio in terms of asset class, geographical and industry sectors and individual securities.

To mitigate market risk, the Committee and its investment advisors undertake regular monitoring of market conditions and benchmark analysis.

Price Risk

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

The Fund is exposed to share and derivative price risk. This arises from investments held by the Fund for which the future price is uncertain. All securities represent a risk of loss of

capital.

The maximum risk resulting from financial instruments (with the exception of derivatives where the risk is currency related) is determined by the fair value of the financial instruments. The Fund's investment managers aim to mitigate this price risk through diversification and the selection of securities and other financial instruments.

The Fund has determined that a 9.62% increase or decrease in market price risk (calculated as a weighted average of PIRC estimated volatilities of asset classes held by the Fund) is reasonable for 2023/24. This analysis excludes debtors, creditors, other investment balances and forward foreign exchange, as these financial instruments are not subject to price risk

Assets exposed to price risk	Price Risk	Value	Value on price increase	Value on price decrease
		£'000	£'000	£'000
As at 31 March 2023	10.95 %	1,790,022	1,986,029	1,594,014
As at 31 March 2024	9.62%	2,007,470	2,200,589	1,814,351

Note 15 Nature and Extent of Risks Arising from Financial Instruments (continued)

Interest Rate Risk

The Fund invests in financial assets for the primary purpose of obtaining a return on its investments. Fixed interest securities and cash 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. The Committee and its investment advisors regularly monitor the Fund's interest rate risk exposure during the year.

Fixed interest securities, cash and cash equivalents are exposed to interest rate risk. The table below demonstrates the change in value of these assets had the interest rate increased or decreased by 1%. Changes in interest rates do not impact on the value of cash and cash equivalent balances but they will affect the interest income received on those balances.

Assets exposed to interest rate risk	Value £'000	Value on 1% increase £'000	Value on 1% decrease £'000
Fixed Income - Global Bonds	154,786	145,086	164,486
Fixed Income - Global Multi Asset Credit	86,715	84,252	89,177
Absolute Return	37,123	36,065	39,629
Cash and Cash Equivalents	20,263	20,263	20,263
As at 31 March 2023*	298,887	285,666	313,555

Assets exposed to interest rate risk	Value £'000	Value on 1% increase £'000	Value on 1% decrease £'000
Fixed Income - Global Bonds	134,487	125,543	143,430
Fixed Income - Global Multi Asset Credit	90,024	87,728	92,319
Absolute Return	34,894	34,719	36,066
Cash and Cash Equivalents	44,222	44,222	44,222
As at 31 March 2024	303,627	292,212	316,037

*Please note 31 March 2023 figures have been restated for consistency with 31 March 2024.

Currency Risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on financial instruments that are denominated in any currency other than Sterling. The Fund aims to mitigate this risk through the use of hedging, which is applied to the LGIM equities mandate. The Committee recognises that a 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.

Overseas equities, fixed interest securities and futures, cash in foreign currencies, forward foreign exchange contracts and some elements of the pooled investment vehicles are exposed to currency risk. The following table demonstrates the change in value of these assets had there been a 5.08% strengthening/weakening of the pound against foreign currencies during 2023/24 (calculated based upon weighted average of PIRC estimated volatilities of currencies held by the Fund).

Assets exposed to currency risk Currency Risk	Value	Value on foreign exchange rate increase	Value on foreign exchange rate decrease
	£'000	£'000	£'000
As at 31 March 2023 6.35%	689,703	733,499	645,907
As at 31 March 2024 5.08%	697,938	733,393	662,483

a) Credit Risk

Credit risk represents the risk that the counterparty to a transaction or a financial instrument 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 fund managers, counterparties, brokers and financial institutions minimises credit risk that may occur through the failure to settle a transaction in a timely manner.

There is a risk that some admitted bodies may not honour their pension obligations with the result that any ensuing deficit might fall upon the Fund. To mitigate this risk, the Fund regularly monitors the state of its admitted bodies.

b) Liquidity Risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The Committee monitors cash flows and takes steps to ensure that there are adequate cash resources to meet its commitments.

The Fund has immediate access to its cash holdings. The Fund defines liquid assets as assets that can be converted to cash within three months, subject to normal market conditions. As at 31 March 2024, liquid assets were £1,544m representing 77% of total fund assets (£1,480m at 31 March 2023 representing 83% of the Fund at that date). The majority of these investments can in fact be liquidated within a matter of days.

Note 16 Funding Arrangements

The LGPS Regulations require that a full actuarial valuation of the Fund is carried out every three years. The purpose of this is to establish that the Westminster City Council Pension Fund is able to meet its liabilities to past and present contributors and to review the employer contribution rates.

The latest full triennial valuation of the Fund was carried out by Hymans Robertson, the Fund's actuary, as at 31 March 2022 in accordance with the Funding Strategy Statement of the Fund and Regulation 36 of the Local Government Pension Scheme (Administration) Regulations 2008. The results were published in the triennial valuation report dated 29 March 2023, with the funding level rising to 128%. The report and Funding Strategy Statement are both available on the Council's website.

The valuation report details the fund assumptions and employer contribution rates for the three years from 2023/24. The actuary's smoothed market value of the scheme's assets at 31 March 2022 was £1,876m and the Actuary assessed the present value of the funded obligation at £1,466m. This indicates a net surplus of £410m, which equates to a funding position of 128% (2019: £20m net liability and 99%).

The actuarial valuation, carried out using the projected unit method, is based on economic and statistical assumptions, the main ones being:

2022 Allocation	%
Fixed Income	19.0
Equities	60.0
Alternatives	11.0
Property	10.0
Total	100.0

Financial assumptions	2019	2022
	%	%
Discount rate - scheduled bodies	4.8	4.8
Discount rate - admitted bodies	3.3	4.8
RPI	3.6	3.7
CPI	2.6	2.7
Pension increases	2.6	2.7
Long-term pay increases	3.6	3.7

The contribution rate is set on the basis of the cost of future benefit accrual, as set out in the Funding Strategy Statement. Each employer has a contribution rate which is appropriate to their circumstances. The common future service contribution rate for the Fund was set at 17.5% of pensionable pay (2019: 17.9%).

The triennial valuation also sets out the individual contribution rate to be paid by each employer from 1 April 2023 depending on the demographic and actuarial factors particular to each employer. Details of each employer's contribution rate are contained in the Statement to the Rates and Adjustment Certificate in the triennial valuation report.

Note 17 Actuarial Present Value of Promised Retirement Benefits

The table below shows the total net liability of the Fund as at 31 March 2024. The figures have been prepared by Hymans Robertson, the Fund's actuary, only for the purposes of providing the information required by IAS26. In particular, they are not relevant for calculations undertaken for funding purposes or for other statutory purposes under UK pension's legislation.

In calculating the required numbers, the actuary adopted methods and assumptions that are consistent with IAS19.

31 March 2023		31 March 2024	
£'000		£'000	
(1,707,000)	Present Value of Promised Retirement Benefits	(1,728,000)	
1,790,022	Fair Value of Scheme Assets (bid value)	2,007,470	
83,022	Net Asset/(Liability)	279,470	

ASSUMPTIONS

To assess the value of the Fund's liabilities at 31 March 2024, the value of the Fund's liabilities calculated for the funding valuation as at 31 March 2022 have been rolled forward, using financial assumptions that comply with IAS19.

DEMOGRAPHIC ASSUMPTIONS

The demographic assumptions used are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2022. Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a..

Assumed life expectancy from age 65 is:

Life expectancy from age 65 years		31 March 2023	31 March 2024
Retiring today	Males	22.0	21.9
	Females	24.5	24.3
Retiring in 20 years	Males	23.2	23.1
	Females	26.0	25.8

FINANCIAL ASSUMPTIONS

The main financial assumptions are:

	31 March 2023	31 March 2024
	%	%
CPI Increases	3.00	2.80
Salary increases	4.00	3.80
Pension increases	3.00	2.80
Discount rate	4.75	4.80

Note 18 Current Assets

31 March 2023		31 March 2024	
£'000		£'000	
	Debtors:		
2,196	Contributions due - employers	2,525	
966	Contributions due - employees	1,090	
1,275	Sundry debtors	780	
774	Cash balances	3,384	
5,211	Total	7,779	

ANALYSIS OF DEBTORS

31 March 2023		31 March 2024	
£'000		£'000	
259	Central Government Bodies	68	
894	Other entities and individuals	559	
3,284	Administering Authority	3,768	
4,437	Total	4,395	

Note 19 Current Liabilities

31 March 2023		31 March 2024	
£'000		£'000	
(879)	Sundry creditors	(1,346)	
(879)	Total	(1,346)	

ANALYSIS OF CREDITORS

31 March 2023		31 March 2024	
£'000		£'000	
(756)	Central government bodies	(855)	
(26)	Other entities and individuals	(248)	
(97)	Administering Authority	(243)	
(879)	Total	(1,346)	

Note 20 Additional Voluntary Contributions

The Pension Fund's Additional Voluntary Contributions (AVC) providers are Aegon and Utmost Life and Pensions. The table below shows information about these separately invested AVCs.

Market Value 31 March 2023		Market Value 31 March 2024	
£'000		£'000	
731	Aegon	962	
316	Utmost Life and Pensions	333	
1,047	Total	1,295	

In accordance with Regulation 4(1)(b) of the Pension Scheme (Management and Investment of Funds) Regulations 2016, the contributions paid and the assets of these investments are not included in the Fund's Accounts.

The AVC providers secure benefits on a money purchase basis for those members electing to pay AVCs. Members of the AVC schemes each receive an annual statement confirming the amounts held in their account and the movements in the year. The Fund relies on individual contributors to check that deductions are accurately reflected in the statements provided by the AVC provider.

Note 21 Related Party Transactions

The Fund is administered by Westminster City Council, the largest scheme employer, who has paid £22.7m in contributions over the year to 31 March 2024. The Council incurred costs of £0.565m in the period 2023/24 (2022/23: £0.528m) in relation to the administration of the Fund and were reimbursed by the Fund for the expenses. The Fund uses the same Banking and Control Service provider as WCC and no charge is made in respect of this.

Each member of the Pension Fund Committee is required to declare their interests at each meeting. Councillor Pitt-Ford has declared that he holds shares with Octopus Group Holdings Ltd and Octopus Renewables Infrastructure Trust Plc. During the year, the Fund appointed the London CIV to manage an allocation to affordable housing, with underlying managers CBRE and Octopus. Councillor Pitt-Ford was not present for discussions in relation to this manager appointment.

As the Chair of the Pension Fund Committee, Councillor Eagleton attended the Local Authority Pension Fund Investment Awards dinner for local government stakeholders. This event took place during September 2023, and the City of Westminster Pension Fund was shortlisted for the Fund of the Year Award.

The Pension Fund is a minority shareholder in the London CIV Asset Pool, and shares valued at £150k are included as long-term investments in the net asset statement. A mixed portfolio of pension fund investments is managed by the regional asset pool as shown in Note 10.

KEY MANAGEMENT PERSONNEL REMUNERATION

The key management personnel of the Fund are the Members of the Pension Fund Committee, the Executive Director of Finance and Resources, the Tri-Borough Director of Treasury and Pensions and the Director of People Services. There were no costs apportioned to the Pension Fund in respect of the Executive Director of Finance and Resources post for 2022/23 and 2023/24. Total remuneration payable to key management personnel from the Pension Fund is set out below:

31 March 2023		31 March 2024	
£'000		£'000	
40	Short-term benefits	39	
(87)	Post-employment benefits	8	
(47)	Total	47	

Note 22 External Audit Costs

The external fee payable to the Fund's external auditors, Grant Thornton UK LLP, was £94k (£36k in 2022/23).

31 March 2023	31 March 2024
£'000	£'000
36 External audit fees	94
36 Total	94

Note 23 Events After the Reporting Period

Management have reviewed and can confirm that there are no significant events occurring after the reporting period.

Note 24 Contractual Commitments

The Fund has committed \$91.5m (£72.5m) to the Pantheon Global Infrastructure Fund III, of this commitment \$8.5m (£6.7m) was still outstanding at 31 March 2024. Alongside this, the Fund has committed £150m to the Quinbrook Renewables Impact Fund with £10.7m outstanding as at 31 March 2024. The Fund has also committed €55m (£47.0m) to the Macquarie Renewable Energy Fund, €8.7m (£7.4m) of which was outstanding at 31 March 2024. The Fund has a £50m commitment to the Man Group Affordable Housing Fund, with £10.3m outstanding as at 31 March 2024. The Fund has a commitment of £110m to CVC Credit Private Debt Fund III and £110m to CVC Credit Private Debt Fund IV, with £24.4m outstanding in fund III and £110m outstanding in fund IV at 31 March 2024. During the year the Fund committed £45m to the London CIV UK Housing fund, with £44.8m outstanding at 31 March 2024.